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Legislative Digest

Week of June 19, 2000 Vol. XXIX, #17, June 16, 2000

Monday, June 19

The House will meet at 12:30 p.m. for morning hour and 2:00 p.m. for Legislative Business
(No votes before 6:00 p.m.)

**** Seven Suspensions**

****One Bill Under a Rule:**

Tuesday, June 20

The House will meet at 9:00 a.m. for Morning Hour and 10:00 p.m. for Legislative Business

**** Two Bills Subject to a rule**

**** Four Suspensions**

Wednesday June 21, and the Balance of the Week

On Wednesday and Thursday the House will meet at 10:00 a.m. for Legislative Business
On Friday the House will meet at 9:00 a.m. for Legislative Business

(No Votes are Expected After 2:00 p.m.)

Subject to a rule

⇨To be published in a future issue of the *Legislative Digest*

Eric Hultman: *Managing Editor*
Brendan Shields: *Senior Legislative Analyst*

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& Greg Mesack: *Legislative Analysts*

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To Make Certain Personnel Flexibilities Available with Respect to the General Accounting Office

H.R. 4642

Committee on Government Reform
No Report Filed
Introduced by Messrs. Burton and Scarborough on June 13, 2000

Floor Situation:

The House is scheduled to consider H.R. 4642 under suspension of the rules on Monday, June 19, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 4642 gives the Comptroller General of the United States certain narrowly tailored authority to pursue agency realignment goals. The bill allows the GAO the flexibility to name scientific, technical or professional staff to senior level positions while giving them the same pay, rights and characteristics that members of the Senior Executive Service (SES) currently enjoy. Current law mandates that Senior-Level technical positions lack SES benefits and attributes that are afforded only to leadership and management positions. These pay caps currently limit effective use of expert and consultant appointments. The flexibility allowed by H.R. 4642 (1) establishes a career track for technical experts; (2) creates technical expert positions at super-grade level with SES benefits and attributes otherwise limited to SES leadership/management positions; and (3) reclassifies existing SES members to technical experts without the loss of any existing rights or benefits.

H.R. 4642 also allows the Comptroller General to offer voluntary early retirement to selected employees for the purpose of realignment. Offers of voluntary retirement are not to exceed 10 percent of GAO's employees in any given fiscal year. Under current law, voluntary early retirement is available only through an Office of Personnel and Management decision to reduce the work force, and it must be offered to everyone in a unit, geographical area, or personnel category. Additionally, H.R. 4642 allows the Comptroller General to offer separation pay not in excess of $25,000 for the purpose of realignment, a practice that is not allowed under current law. This new flexibility will help the GAO meet its budgetary constraints, mission needs, correct skill imbalances, or reduce high grade and managerial positions.

Finally, H.R. 4642 allows the Comptroller General to take steps to realign GAO's workforce by considering factors such as the agency's needs in addition to the skills, performance, and knowledge of individuals. Under the bill, the Comptroller General can place as much priority on these and other factors as necessary. The statutory preference for military veterans would be maintained, as would GAO's desire for a competent and diverse workforce. This provision allows the GAO the new flexibility of being able to reduce its force based upon institutional needs by adapting a strategic plan.

Background:

The General Accounting Office is the auditing and investigative arm of the Congress. Like many federal agencies, the office has many officials nearing retirement eligibility, but few up and coming professionals. There have been concerns raised regarding current law that can discourage a career at the GAO for scientific, technical and professional staff because these staffers are not eligible for Senior Executive Service benefits. The current Comptroller General, David Walker, advocates placing these staff in the center of GAO's strategic planning to help the agency adapt to rapidly changing technology and business practices. The Comptroller General needs this greater flexibility in order to maintain productivity.

Cost/Committee Action:

This bill was not considered by a House committee.

A CBO cost estimate was not available at press time.

John DeStefano 226-2302

Providing For the Establishment of the Cat Island National Wildlife Refuge in West Feliciana Parish, Louisiana

H.R. 3292

Committee on Resources
No Report Filed
Introduced by Mr. Baker on November 10, 1999

Floor Situation:

The House is scheduled to consider H.R. 3292 under suspension of the rules on Monday June 19, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 3292 establishes the Cat Island National Wildlife refuge on 9,477 acres of land in West Feliciana Parish, Louisiana. The legislation will conserve and enhance wetlands; protect endangered species; promote fish and wildlife-oriented recreational activities; promote increased stewardship of natural resources through environmental education; and serve as a general wildlife management unit of the National Wildlife Refuge System. H.R. 3292 permits the Secretary of the Interior to use additional statutory authority to conserve and develop wildlife, natural resources, water supplies, water control structures, outdoor recreational activities and interpretive education.

Cat Island, located 30 miles north of Baton Rouge in West Feliciana Parish, Louisiana, supports one of the highest densities of old-growth bald cypress trees in the United States including the nation's largest cypress tree, which is 17 feet wide with a circumference of 53 feet. It is one of the last remaining tracts in the lower Mississippi Valley that is still influenced by the natural flow of the river. Cat Island is an important habitat for several declining populations of songbirds and wintering waterfowl. Traditionally Cat Island has been a popular area for hunting, fishing, bird watchers and photographers. It has several freshwater lakes that provide sport fishing and has large populations of bobcat, deer, mink, raccoon and turkey.

Committee Action:

The Committee on Resources reported the bill by voice vote on April 6, 2000.

Sarah Buzby 226-2302

Establishmening an Interpretive Center on the Life and Contributions of President Abraham Lincoln
H.R. 3084

Committee on Resources
No Report Filed
Introduced by Mr. Shimkus *et al.* on October 14, 1999

Floor Situation:

The House is scheduled to consider H.R. 3084 under suspension of the rules on Monday, June 19, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage

Summary:

H.R. 3084 authorizes the Secretary of the Interior to provide grants up to $50,000,000 as a contribution for matching funds for the establishment of an interpretive center that preserves and makes available to the public materials that focus on the life and contributions of President Abraham Lincoln. While the bill provides matching funds for the construction of the facility in Springfield, Illinois, it does not provide any funding for its maintenance or operation. The bill also specifies that non-federal funds be equal to at least double the amount of the matching federal grant.

An amendment was agreed to in markup that makes the grants conditional upon the centers cooperation with other existing sites that house Lincoln material.

Background:

The planned two-part Lincoln Presidential Library and Interpretive Center in Springfield, Illinois, will consist of a museum and a library with archives. The world's largest collection of Lincoln material will move to the library from its current home, the Illinois State Historical Library. Some of the materials to be moved are a manuscript of the Gettysburg Address, a signed copy of the Emancipation Proclamation, and the desk Lincoln used to write his first Inaugural Address. There are many existing sites that the Lincoln Interpretive center will cooperate with, including Mount Rushmore, Ford's Theater, and the Lincoln Me morial.

Cost/Committee Action:

The Committee on Resources reported this bill by voice vote on June 7, 2000.

A CBO cost estimate was not available at press time.

John DeStefano 226-2302

Taking Certain Land into Trust for the Mississippi Choctaw Band of Indians

S.1967

Committee on Resources
Report 106-307
Introduced by Senator Cochran on November 18, 1999.

Floor Situation:

The House is scheduled to consider S. 1967 on Monday, June 19, 2000 under suspension of the rules. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

S. 1967 allows land taken into the trust of the United States on behalf of the Mississippi Band of Choctaw Indians on or after December 23, 1944 to become part of the Mississippi Choctaw Indian Reservation. The bill also places all land held in fee by the Band within the State of Mississippi in the Trust of the U.S. government for the Band. This bill enables land acquired by the tribe, which are currently not considered part of the Reservation, to become part of the trust. Lands made part of the Mississippi Choctaw Indian Reservation after December 23, 1944, will not be used for gaming purposes.

Background:

Over the past two centuries, the Mississippi Choctaw Indians have had many troubles maintaining their land and sovereignty. The tribe signed two treaties in the 1800's, the treaties of Doak's Stand and Dancing Rabbit Creek, to resolve their property issues, however, these treaties did not resolve the property issues the Tribe had encountered. In 1939, after many appeals, a proclamation was made by Congress to place all of the Tribe's land in trust, under the 1934 Indian Reorganization Act, and establish the Mississippi Choctaw Indians Reservation. This proclamation helped the Mississippi Choctaw Indians with their previous situation, but did not resolve future property issues.

The Tribe has purchased approximately 8,500 acres since 1944. None of these acres have been placed into the U.S. trust established in 1934 on behalf of the Tribe and their reservation. The Choctaw Tribe has been waiting for Bureau of Indian Affairs to act on applications they have filed to place the lands into the trust. S. 1967 places this land into the government trust that was created by the 1934 Indian Reorganization Act, which enables the Mississippi Choctaw Indians to have sovereignty on the lands, and consider it part of their reservation.

Costs/Committee Action:

CBO estimates that enacting this bill would have no significant impact on the federal budget.

S. 1967 passed the Senate by unanimous consent on June 14, 2000. The bill was referred to the House Committee on Resources on June 15, 2000.

Jennifer Lord, 226-7860

Taunton River Wild and Scenic River Study Act of 2000

H.R. 2778

Committee on Resources
No Report Filed
Introduced by Mr. Moakley on August 15, 1999

Floor Situation:

The House is scheduled to consider H.R. 2778 under suspension of the rules on Monday, June 19, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 2778 amends the Wild and Scenic Rivers Act to designate segments of the Taunton River in Massachusetts for study for potential addition to the National Scenic and Wild Rivers System. The Secretary of the Interior will conduct the study which will be submitted no later than three years after the enactment of this bill.

The Taunton River was the first river the Pilgrims crossed as they spread inland from the coast of Massachusetts. For centuries, the river served as an avenue for trade among American Indians and European settlers. The Taunton possesses important resource values, including wildlife, ecological and scenic values, and historic sites as well as a cultural past important to America's heritage.

Costs/Committee Action:

The bill was reported by voice vote on June 7, 2000 from the Resources Committee.

CBO estimates that enacting the bill will cost $400,000 over the next three years. Additionally, pay-as-you-go procedures do not apply.

Christina Carr, 226-2302

Expressing the Sense of the House Regarding the Importance of Responsible Fatherhood.

H.Res. 522

Committee on Education and the Workforce
No Report Filed
Introduced by Mr. Pitts *et al.* on June 9, 2000

Floor Situation:

The House is scheduled to consider H.Res. 522 under suspension of the rules on Monday, June 19, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage

Summary:

H.Res 522 expresses the sense of the House regarding responsible fatherhood. Specifically, the resolution: (1) recognizes that the creation of a better America depends in large part on the active involvement of fathers in the rearing and development of their children; (2) urges each father in America to accept his full share of responsibility for the lives of his children, to be actively involved in rearing his children, and to encourage the academic, moral, and spiritual development of his children; (3) urges governments and institutions at every level to remove barriers to father involvement and enact public policies that encourage and support the efforts of fathers who want to become more engaged in the lives of their children; (4) encourages each father to devote time, energy, and resources to his children, recognizing that children need not only material support, but more importantly a secure, nurturing, family environment; and (5) expresses its support for the National Fatherhood Initiative, and its work to inspire and equip fathers to be positively involved in the raising and development of their children.

Background:

With Father's Day recently passed, it is as important to recognize the significance of responsible fatherhood. Recent statistics have shown that responsible parenting by fathers is one of the most important aspects in raising well-rounded children. Children with fathers at home tend to do better in school, are less prone to depression, and have more successful relationships. A recent study of juveniles in state reform institutions found that 70 percent grew up in single or no parent homes. A disproportionate amount of federal dollars is spent on crime and criminals, as compared to addressing the principal underlying cause of crime: an increasing absence of fathers from the home. It is important to note that promoting responsible fatherhood is in no way meant to denigrate the standing or parenting of single mothers, rather, it increases the chances that children will have two caring parents to help them grow up healthy and secure.

Cost/Committee Action:

This bill has not been considered by a House committee.

John DeStefano 226-2302

Expressing the Sense of the House Regarding Support for the Financial Action Task Force on Money Laundering,

H.Res. 495

Committee on Banking and Financial Services
No Report Filed
Introduced by Ms. Roukema *et al.* on June 9, 2000

Floor Situation:

The House is scheduled to consider H.Res. 522 under suspension of the rules on Monday, June 19, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.Res. 495 expresses the sense of the House that (1) the United States should continue to actively and publicly support the objectives of the Financial Action Task Force on Money Laundering (FATF) with regard to combating international money laundering; (2) the FATF should identify noncooperative jurisdictions in as expeditious a manner as possible and publicly release a list directly naming those jurisdictions identified; (3) the United States should support the public release of the list naming noncooperative jurisdictions identified by the FATF; (4) the United States should encourage the adoption of the necessary international action to encourage compliance by the identified noncooperative jurisdictions; and (5) the United States should take the necessary countermeasures to protect the United States economy against money of unlawful origin and encourage other nations to do the same.

Background:

Money laundering is a crucial addition to the underlying crimes that generate money, including drug trafficking, terrorism, and kidnapping. The IMF has estimated that the amount of international money laundering to be at least $600 billion annually, a figure that represents two to five percent of the world's gross domestic product. A combination of technological developments and global, open financial markets has resulted in more sophisticated and readily available tools for laundering money. Furthermore, money laundering and foreign corruption go hand in hand, undermining this country's efforts to promote democratic governments and economic development around the world.

The FATF was created for the purpose of developing and promoting policies to combat international money laundering. It consists of 26 jurisdictions including the United States and two international organizations. In 1990, the FATF issued recommendations that set out the basic framework for antimoney laundering efforts covering the criminal justice system and law enforcement, the financial system and its regulation, and international cooperation. The FATF then determined criteria for defining noncooperative countries or territories consistent with the 40 recommendations. These noncooperative countries can be inside or outside of FATF membership, and their detrimental practices hamper the fight against international money laundering.

Cost/Committee Action:

This bill has not been considered by a House committee.

At Press time a CBO cost estimate was not available.

John DeStefano 226-2302

FY 2001 VA, HUD, and Independent Agencies Appropriations Act

H.R. 4635

Committee on Appropriations
H.Rept. 106-674
Submitted by Mr. Walsh on June 12, 2000

Floor Situation:

The House is scheduled to consider H.R. 4635 on June 19, 2000. The House passed H.Res. 525 on Thursday, June 15, which established an open rule on the measure that provides one hour of general debate equally divided between the chairman and ranking minority member of the Appropriations Committee, waives points of order against non-emergency amendments from being offered to a bill containing emergency designations, and waives all points of order against unauthorized legislative provisions in a general appropriations bill, except for two provisions in Title III of the bill. The first unprotected provision prohibits EPA from reserving funds to conduct studies on the health effects of contaminates in drinking water. The second unprotected provision prohibits funds from being designated as emergency requirements unless the President submits an official budget request that includes designation of the entire amount of the request as an emergency requirement.

The rule also allows the Chairman of the Committee of the Whole to accord priority in recognizing members who have preprinted their amendments in the *Congressional Record*, and allows the chairman to postpone votes. Lastly, the rule allow for one motion to recommit with or without instructions. Information on potential amendments will be provided in a *FloorPrep* prior to floor consideration.

Highlights:

H.R. 4635 provides $101.1 billion in new budget authority for veterans' benefits, housing programs, and various agencies dealing mostly with science, space, and the environment. This amount is $8.22 billion more than in FY 2000 and $6.5 billion less than the president's request (which included a $2.6 billion FY 2001 request for FEMA emergency spending and a $4.2 billion advance appropriation request for FY 2001 for Section 8 housing). A majority of this funding, $76.48 billion, is allocated for discretionary spending ($6.5 billion less than the president's request and $4.9 billion more than last year) programs, while the remaining $24.61 million is mandatory spending (outside of the control of the Appropriations Committee). The CBO "freeze" level for VA-HUD is $76.9 billion.

A large portion of the bill's funding, $46.85 billion, supports the Department of Veterans Affairs (VA) efforts to provide extensive health, housing, education, and compensatory benefits to military veterans and their dependents ($2.6 billion more than in FY 2000 and $97.74 million less than the president's request). The measure appropriates $29.96 billion for the Department of Housing and Urban Development (HUD), $4.1 billion more than in FY 2000 and $2.5 billion less than the president's request (which includes an advance appropriation request of $4.2 billion for FY 2002). Specifically, the bill provides $13.28 billion for Section 8 housing rental assistance ($2.4 billion more than last year), $1 billion (a $180 million decrease from last year) for homeless assistance, and $4.5 billion for community development block grants.

H.R. 4635 also provides $7.15 billion for the Environmental Protection Agency ($312.77 million less than FY 2000 and $15.1 million less than the president's request). The bill provides $876.73 million for the Federal Emergency Management Agency (FEMA), a decrease of $2.61 billion from the president's request and a $2.48 billion decrease from last year's level.

In addition, the measure provides $13.7 billion for the National Aeronautics and Space Administration (NASA)—$60.9 million more than in FY 2000 and $321.7 million less than the president's request. Specifically, the bill provides $5.5 billion for space shuttle operations, which includes funds for the International Space Station. Finally, the bill provides $4.06 billion for the National Science Foundation, $152.25 million more than in FY 2000 and $508.1 million less than the president's request.

Sticking Points

Several issues may become the subject of debate during floor consideration, including the following:

* **Environmental Protection Agency.** H.R. 4635 reduces the EPA's funding by about $288 million dollars from last year, $158 million dollars, which is the result two agencies being transferred from the EPA. Also the measure places restrictions on funds being used to implement EPA regulations, (e.g. regulations relating to the Kyoto protocol and maximum daily loads). Also, the bill prohibits funds being used to fund "invasive" techniques to clean contaminated sediments from waterways until studies are completed on the proposed cleaning techniques.

* **Disaster Relief.** The bill eliminates additional FEMA funding for disaster relief while the president's budget proposed a level of $2.91 billion. The measure provides $300 million, a decrease of $2.61 billion. These funds would be used as emergency funding to provide relief and funds to rebuild communities in time when natural disasters strike. Advocates of greater funding argue that meteorologists are predicting an active hurricane season, while those who support the bill in its current form argue that FEMA already has $1.7 billion available and that additional funds can be provided in emergency appropriations.

* **AmeriCorps**. The measure terminates funding for the Corporation for National and Community Service (except for $5 million for Inspector General activities)—the agency received $434.5 million last year and the president requested $533.7 million for FY 2001. One of President Clinton's cherished priorities, program supporters view any attempt to reduce or terminate AmeriCorps funding as a politically motivated attack on a valuable government service program. Critics counter that AmeriCorps is wasteful and unnecessary because the idea that the government needs to pay "volunteers" is wholly at odds with the notion of community service.

* **Community Renewal.** H.R. 4635 does not provide any funds for the community renewal initiative recently agreed to by the President and congressional leaders. The program is designed to mix incentives and federal funds to stimulate growth and renewal in 80 of the nation's poorest communities. Proponents argue that the initiative will be crucial in providing new life to impoverished and run down cities. The measure does not currently appropriate any funds but congressional leaders have indicated that funds may be provided later. Furthermore, specific portions of the agreement have yet to be authorized by the Congress.

Provisions:

VA/HUD and Independent Agencies Appropriations, FY 2001

Appropriation Account	FY 2000 Level*	President's Request**	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Veterans Affairs	$44,255.2	$46,948.4	$46,849.7	+5.9%	-0.2%
HUD	$25,860.2	$32,458.6	$29,962.0	+15.9%	-7.7%
Independent Agencies	$29,070.5	$30,374.1	$26,290.1	-9.6%	-13.4%
General Provisions	-$14.0	-$1,832.0	-$1,832.0	—	0.0%
TOTALS	$99,171.8	$107,949.1	$101,269.8	+2.1%	-6.2%

Source: House Appropriations Committee

** The president's budget included a $2.9 billion FY 2001 request for FEMA emergency funding and a $4.2 billion advance appropriation request for FY 2001 for Section 8 housing*

Title I — Department of Veterans Affairs

H.R. 4635 appropriates $46.85 billion for the Department of Veterans Affairs (VA), $2.6 billion more than in FY 2000 and $98.7 million less than the president's request. With an average employment of 204,000, the VA is the third largest federal agency and administers benefits for approximately 70 million people—about 26 percent of the population of the United States.

Veterans Benefits Administration

The VA's cash benefit programs (i.e., compensation and pensions, readjustment benefits, and veterans insurance and indemnities) are mandatory (entitlement) spending, although required amounts are annually appropriated. Requested appropriations are equal to the expected payments, and final appropriations are based on the latest available estimates. This year the committee has provided $24.78 billion for the Veterans Benefit Administration, $1.22 billion more than the current year, and $25 million more than the president's request, due in part to the fact that the committee did not adopt an administration proposal to move some funding to the general operating expenses account.

Compensations and Pensions. H.R. 4635 fully funds the president's request for $22.77 billion—$1.2 billion more than in FY 2000—to compensate veterans for service-related injuries, provide pensions for those with non-service-related disabilities, and provide burial benefits. The committee has again decided not to adopt the president's request to divide this appropriation into three separate accounts for compensation, pensions, and burial benefits and miscellaneous assistance.

Readjustment Benefits. The measure provides $1.66 billion—$30 million more than the president's request of $1.63—billion for education and training benefits for veterans and service members to help them adjust to civilian life, $195 million more than in FY 2000. The committee rejected an administration request to transfer $30 million from this account to the general operating expenses account.

Veterans Insurance. The bill fully funds the president's request for $19.9 million—$8.8 million less than in FY 2000—to provide benefits for veterans who received various forms of insurance and indemnities during the First and Second World Wars, the Korean conflict, and for other individuals who have received a grant for specially adapted housing.

VA Appropriations, FY 2001

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Veterans Benefits Administration					
Compensation and Benefits	$21,568.4	$22,766.3	$22,766.3	+5.6%	0.0%
Readjustment Benefits	$1,469.0	$1,634.0	$1,664.0	+13.3%	+1.8%
Veterans Insurance & Indemnities	$28.7	$19.9	$19.9	-30.8%	0.0%
Veterans Housing Benefit Program	$439.3	$332.2	$327.2	-25.5%	-1.5%
Education Loan Fund Program	$0.2	$0.2	$0.2	+2.8%	0.0%
Vocational Rehabilitation Loans	$0.5	$0.5	$0.5	+2.5%	0.0%
Native American Housing Loans	$0.5	$0.5	$0.5	+2.3%	0.0%
Guaranteed Transitional Housing Loans for Homless Veterans	$48.3	—	—	—	—
Subtotal, Veterans Benefits	$23,554.8	$24,753.6	$24,778.6	+5.2%	+0.1%
Veterans Health Administration	$19,307.2	$20,667.5	$20,664.6	+7.0%	-0.0%
Departmental Administration	$1,393.2	$1,527.3	$1,406.5	+1.0%	-7.9%
TOTALS	$44,255.2	$46,948.4	$46,849.7	+5.9%	-0.2%

Source: House Appropriations Committee

Veterans Housing Benefit Program Fund. H.R. 4635 provides $165.74 million for the veterans housing benefit program fund, $116.6 million less than the FY 2000 level and equal to the president's request. The fund facilitates the extension of mortgage credits on favorable terms by private lenders to eligible veterans and unremarried widows of eligible veterans. This program covers the cost of guaranteeing that a portion of the loans are protected against losses from direct loans for veterans' housing and includes administrative expenses necessary to carry out the direct loan program. Part of the reason for the funding decrease is that funds for the Guaranteed Transitional Housing Loans for Homeless Veterans Program (estimated at $48.25 million in FY 2000) is not expected to require further funding in FY 2001. The bill includes $161.48 million for administrative expenses, $4.5 million more than last year and $5 million below the president's request, and establishes a limitation on direct loans of $300,000 per loan.

Education Loan Fund Program. The measure fully funds the president's request for $1,000—equal to the FY 2000 level—for the education loan fund. This program covers the cost of direct loans for eligible dependents and, in addition, pays for administrative expenses necessary to carry out the direct loan program. The measure includes $220,000 for administrative expenses, $6 thousand more than FY 2000, and establishes a limitation on direct loans of $3,000 per loan.

Vocational Rehabilitation Loans Program. The bill fully funds the president's request of $52,000—$5,000 less than the FY 2000 level. This program covers the cost of direct loans for vocational rehabilitation of eligible veterans and, in addition, includes administrative expenses necessary to carry out the direct loan program. The bill allows for loans of up to $841 to an individual, which can be repaid over a 10 month period with no interest. The bill includes $432,000 for administrative expenses, $17,000 more than last year, and establishes a limitation on direct loans of $2.73 million ($195,000 more than last year).

Native American Veteran Housing Loans. The measure provides $532,000—$12,000 more than the FY 2000 level and equal to the president's request—to test the feasibility of enabling the VA to make direct home loans to Native American veterans living on U.S. trust land. This pilot program began in 1993 and expires on December 31, 2001.

Veterans Health Administration

The Veterans Health Administration programs, those associated with medical care and medical research, are annual discretionary appropriations. This year the committee provided $20.66 billion dollars to fund VA health activities, $2.88 million less than the president's request in the medical administration and miscellaneous operating expenses account, and $1.36 billion more than FY 2000.

Medical Care. H.R. 4635 provides $20.28 billion—$1.36 billion more than the FY 2000 level and equal the president's request—to provide medical care for eligible beneficiaries in VA and private facilities. Program funds are also used to train medical professionals to support the VA's medical programs. The Congressional Budget Office estimates that $639 million will be available from the medical care collections fund in FY 2000. The VA operates the largest federal medical care delivery system in the country, with 172 medical centers, 40 domiciliaries, 132 nursing homes, and 829 outpatient clinics which include independent satellite, community-based, and rural outreach clinics. The committee included a provision in the bill that prohibited any funds from being transferred from the Department of Veterans Affairs to the Justice Department for use in supporting lawsuits against tobacco companies.

In recent years the VA has been transferring medical personnel from inpatient care to outpatient care in order to facilitate a greater number of patients in a more efficient manner. This is likely to result in an increase of 285,000 in the unique patient count from FY 1999-2001, while at the same time VA estimates that 1,304 staff slots will be eliminated. Concerns have been raised that the VA is promising too many veterans services without having the adequate resources to serve them. However, the VA continues to accept all veterans who apply for its health care plans. Also, the committee raised a concern that the VA is spending too much money on facility maintenance. Currently, almost one out of every four medical care dollars is spent on facility upkeep. Therefore, the bill places a limit of $3 billion dollars in medical care funds that can be spent on facility upkeep.

Medical and Prosthetic Research. H.R. 4635 allocates $321 million—the same as both the FY 2000 level and the president's request—for medical, rehabilitative, and health services research.

Medical Administration. The bill provides $62 million for central office executive direction, administration, and supervision of all VA medical and construction programs, $2.3 million more than in FY 2000 and $2.88 million less than the president's request.

Transitional Housing Loans. This year the president did not request, and the committee did not provide and funds to cover the estimated cost of providing loans to nonprofit organizations to lease transitional housing to veterans. Last year $48 million was provided for this fund, however since the fund's creation in 1994 no loans have been made. The measure also does not include any funds for associated administrative costs, while last year $54,000 was provided for this purpose.

Departmental Administration

General Operating Expenses. H.R. 4635 provides $1.06 billion to administer non-medical benefits, $93.4 million more than in FY 2000 and $55.85 million less than the president's request, of which $30 million is instead provided for in the readjustment benefits account. $782 million of this is allocated to cover claims processing and administration of the Veterans Benefits Administration, with the remainder being used to fund the department administration of a number of credit accounts established within the Department of Veterans affairs.

National Cemetery System. The measure provides $106.9 million—$9.63 million more than in FY 2000 and $3 million less than the president's request—for the National Cemetery Administration, which provides internment to eligible deceased service members and veterans, together with their spouses and certain dependents. The National Cemetery Administration maintains the nation's 153 cemeteries and administers the president's Memorial Certificate Program. The 9.9 percent increase in funds is intended to provide the National Cemetery System with enough funds to operate the large number of new cemeteries that opened in 2000 and will continue to open in 2001.

Inspector General. The bill fully funds the president's request for $46.46 million for audit, investigation, and inspection activities relating to all VA programs and operations, $3.26 million more than the FY 2000 level.

Major Project Construction. The measure appropriates $62.14 million for the construction of major facilities, $3 million less than in FY 2000 and equal to the president's request. This account funds VA construction projects that are estimated to cost more than $4 million and places an emphasis on correcting life/safety code deficiencies in existing VA medical facilities.

Minor Construction Projects. The bill provides $100 million for minor construction projects, $60 million below the FY 2000 level and $62 million below the president's request. This account funds VA construction projects that are estimated to cost less than $4 million.

Parking Revolving Fund. The measure allocates no new budget authority for the construction and acquisition (by purchase or lease) of parking garages at VA facilities. Leases will be funded from the collection of parking receipts.

Extended Care Facility Grants. The bill provides the president's request of $60 million, $30 million less than the FY 2000 level, for grants to states to provide long-term care facilities for veterans.

State Veterans Cemeteries. The bill fully funds the president's request of $25 million—equal to last year's amount—to establish, expand, and improve state veterans' cemeteries.

Administrative Provisions

Employment Discrimination. The VA supports two offices—the Office of Resolution Management (ORM) and the Office of Employment Discrimination Complaint Adjudication (OEDCA)—to resolve issues of employment discrimination. Formerly, these issues were handled on an institution-by-institution basis, but have now been centralized into these two offices. The president's budget requested that these offices be funded on a reimbursable basis from other VA appropriations in FY 2001. The committee supports funding these offices, but does not agree with the administration's proposal to provide them with unlimited funds.

Therefore, the bill limits the amount that may be reimbursed from (1) medical care $26.1 million ($28.1 million for ORM and $2.1 for OECDA); (2) the national cemetery administration $111,000 ($125,000 for ORM and $14,000 for OEDCA); and (3) the Office of the Inspector General $28,000 for ORM and no funds for OEDCA. In addition, up to $2 million ($1.8 million for ORM and $175,000 for OEDCA) may be reprogrammed within "general operating expenses" for services rendered.

Transfer of Funds. The bill prohibits the administration request to transfer $350 million in receipts from the Veterans Millennium Health Care Act (*P.L. 106-117*) to the treasury for general funds, and instead directs that receipts collected under the Millennium Health Care Act be spent on veterans' medical care.

Compensation Date Changes. The bill moves the compensation and pension pay date back to fiscal year 2000, after it was moved to FY 2001 in the FY 2000 VA-HUD appropriations bill.

Title II — Department of Housing and Urban Development

H.R. 4635 appropriates $29.96 billion for the Department of Housing and Urban Development (HUD), $4.1 billion more than in FY 2000 and $2.5 billion less than the president's request (although this amount includes an advance appropriation request of $4.2 billion for FY 2002). HUD, with more than 240 major and minor programs, is primarily responsible for serving the nation's housing needs and developing and preserving communities. HUD is charged with administering four basic types of programs: (1) FHA mortgages and loan insurance; (2) rental and homeownership subsidy programs for low-income families; (3) community development programs; and (4) neighborhood rehabilitation programs. HUD is also one of the nation's largest financial institutions.

Public and Indian Housing

Housing Certificate Fund (HCF). The measure provides $13.28 billion, $1.9 billion more than last year and $852.44 million less than the president's request (which includes an advance appropriation request of $4.2 billion for FY 2002), for renewal of Section 8 vouchers, project-based housing programs and direct low-income housing subsidies. The committee included in this year's bill a provision that would allow HUD to increase the value of vouchers to as much as 150 percent of median rental rates in certain communities. The current value is 110 percent, but some housing advocates say that this is not enough to cover rent in the nation's most expensive areas. Opponents of the change point out that while vouchers will increase in value, the move could decrease the total number of vouchers. The committee directs that $25 million be set aside to assist individuals with disabilities who are displaced because a public housing complex is designated as elderly only.

The bill also prohibits HUD from paying increased administrative fee costs in the tenant-based section 8 programs due to enactment of the 1998 Quality Housing and Work Responsibility Act. The committee did not fund welfare to work vouchers, the Moving to Work Program, and recommended a $275.39 million rescissions.

HUD Appropriations, FY 2001

Appropriation Account	FY 2000 Level	President's Request*	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Selected Housing Programs					
Housing Certificate Funds*	$11,376.7	$14,127.8	$13,275.4	+16.7%	-6.0%
Public Housing Capital Fund	$2,900.0	$2,955.0	$2,800.0	-3.4%	-5.2%
Public Housing Operating Program	$3,138.0	$3,192.0	$3,138.0	0.0%	-1.7%
Drug Elimination Grants	$310.0	$345.0	$300.0	-3.2%	-13.0%
HOPE VI Grants	$575.0	$625.0	$565.0	-1.7%	-9.6%
Native American Housing Block Grant	$620.0	$650.0	$620.0	0.0%	-4.6%
Indian Loan Guarantee Fund	$6.0	$6.0	$6.0	0.0%	0.0%
Elderly & Disabled Housing	$911.0	$989.0	$911.0	0.0%	-7.9%
Federal Housing Administration	$634.9	$858.3	$858.3	+100.0%	0.0%
Gov. National Mortgage Association	-$412.6	-$297.6	-$337.6	-18.2%	+13.4%
Policy Research & Development	$45.0	$62.0	$40.0	-11.1%	-35.5%
Fair Housing & Equal Opportunity	$44.0	$50.0	$44.0	0.0%	-12.0%
Office Of Lead Hazard Control	$80.0	$120.0	$80.0	0.0%	-33.3%
Community Planning & Development					
Rural Housing & Community Development	$25.0	$27.0	$20.0	-20.0%	-25.9%
AIDS Housing	$232.0	$260.0	$232.0	0.0%	-10.8%
Community Development Grants	$4,800.0	$4,900.0	$4,505.0	-6.1%	-8.1%
Section 108 Admin. Exp. & Credit Sub	$30.0	$30.0	$29.0	0.0%	-3.3%
Brownsfield Redevelopment	$25.0	$50.0	$20.0	0.0%	-60.0%
American Private Investment Comp. Credit Subsidies	$20.0	$37.0	$0.0	-100.0%	-100.0%
Empowerment Zones and Enterp.Comm.	$70.0	$0.0	$0.0	—	—
HOME Investment Partnerships	$1,600.0	$1,650.0	$1,585.0	-0.9%	-3.9%
Homeless Assistance	$1,020.0	$1,200.0	$1,020.0	0.0%	-15.0%
Communities in Schools Grants	$5.0	$5.0	$0.0	-100.0%	-100.0%
Management & Administration					
Salaries and Expenses	$477.0	$565.0	$475.6	-0.3%	-15.8%
Inspector General	$50.7	$52.0	$50.7	0.0%	-2.6%
Administrative Provisions	-$388.4	$0.0	$0.0	-100.0%	0.0%
Recissions	-$2,408.4	—	-$275.4	—	—
TOTALS	$25,785.8	$32,458.6	$30,237.4	+17.3%	-6.8%

Source: House Appropriations Committee

** These figures include a $4.2 billion advance appropriation request for FY 2002 housing.*

Public Housing Capital Fund. The bill provides $2.8 billion for the public housing capital fund, which funds housing development and rehabilitation—$155 million less than the president's request and $100 million less than in FY 2000.

Public Housing Operating Fund. The measure provides $3.14 billion—equal to the FY 2000 level and $54 million less than the president's request—for the housing operating fund, which provides funds to public housing authorities as a supplement to tenant rental contributions that pay for public housing operations.

Drug Elimination Grants. The bill appropriates $300 million, $10 million less than last year and $45 million less the president's request, for low-income housing drug elimination grants that seek to eradicate drug-related crime in housing developments. Public housing authorities may use the funds from this program to employ security personnel and investigators, make building improvements to enhance security, support tenant patrols, and provide resident groups with funds to develop security and drug abuse prevention programs. The measure does not fund the New Approach Anti-Drug Program or the Community Gun Safety and Violence Reduction Initiative, which allows for gun buy-back programs.

Revitalization of Severely Distressed Public Housing (HOPE VI). H.R. 4635 allocates $565 million, $10 million less than the FY 2000 level and $60 million less than the president's request, for the HOPE VI program. This program awards competitive grants to PHAs to revitalize neighborhoods or, when appropriate, demolish obsolete housing projects, as well as provide assistance for relocating residents.

Native American Housing Block Grants. The bill appropriates $620 million, equal to both the FY 2000 level and $30 million below the president's request, for Native American housing block grants. The 1996 Native American Housing Assistance and Self-Determination Act (*P.L. 104-330*) authorized this grant program, which provides funds to Indian tribes and their tribally designated housing entities to address housing needs within their communities.

Indian Housing Loan Guarantee Fund Program. The measure fully funds the president's request of $6 million (equal to last year's level) to support loan guarantees totaling $72 million ($3.1 million more than last year). According to committee estimates, this level of funding will assist 20,000 families construct new homes or purchase existing properties on reservations.

Community Planning and Development

Housing Opportunities for Persons with AIDS (HOPWA). The bill provides $232 million, equal to the FY 2000 level and $28 million less than the president's request, to encourage states and localities to develop programs to provide affordable housing to persons with HIV/AIDS.

Rural Housing and Economic Development. H.R. 4635 provides $20 million, $5 million less than FY 2000 and $7 million less than the president's request, to support housing and economic development in rural areas.

America's Private Investment Companies (APIC) Program. The measure provides no new budget authority—$37 million less than the president's request and $20 million less than last year—to encourage equity investment in large-scale development projects in economically impoverished communities.

Urban and Rural Empowerment Zones. Neither the president's request nor the measure contain new budget authority for either urban or rural empowerment zones. Last year in an agreement reached with the administration $55 million was provided for urban empowerment zones and $15 million for rural empowerment zones.

Community Development Fund (CDF). The measure provides $4.5 billion, $295 million less than the FY 2000 level and $395 million less than the president's request, for grants to state and local governments to fund selected community development programs. Set-asides within the CDF account include: $4.21 billion for Community Development Block Grants, $67 million for Native Americans, $10 million for Economic Development Initiative grants, $55 million for the Resident Opportunity and Social Services program, $23.5 million for the National Community Development Initiative (including a $3.4 million set aside for the Habitat for Humanity Program), $45 million dollars for the Youthbuild program and $10 million for neighborhood initiatives.

Section 108 Loan Guaranty Program and Credit Subsidies. The bill permits HUD to guarantee $1.22 billion in Section 108 programs, equal to the president's request and $44 million less than last year. The bill also provides $28 million ($1 million less than last year and equal to the president's request) for credit subsidy needs and $1 million in administrative expenses, $1 million less than last year.

Brownfields Redevelopment. H.R. 4635 provides $20 million—$30 million less than the president's request and $5 million less than FY 2000—for funds to be used in conjunction with Section 108 loan guarantees to reclaim abandoned commercial and industrial sites. This program is designed to finance job creation and leverage Section 108 loan commitments, which could potentially create thousands of jobs while returning contaminated sites to productive uses.

HOME Investment Partnerships Program. The measure appropriates $1.59 billion, $5 million less than last year and $30 million less than the president's request, for the HOME Investment Partnerships program. The program provides funds to states, units of local government, Indian tribes, and others for acquisition, rehabilitation, and new construction programs to expand the supply and quality of affordable housing.

Homeless Assistance Grants. H.R. 4635 provides $1.02 billion, $180 million less than last year and equal to the president's request, for four homeless assistance programs under Title IV of the McKinney Act. The funding is available for the emergency shelters program, the supportive housing program, the Section 8 moderate rehabilitation program, and the Shelter Plus care program.

Federal Housing Administration

Housing for the Elderly and Disabled. H.R. 4635 provides $911 million in assistance for the elderly and disabled. This is $78 million less than the president's request and equal to last year's amount. $710 million is designated for the Section 202 Supportive Housing Program, providing capital grants to create assisted living facilities, fund assisted living facilities recently constructed through the FHA Section 232 mortgage insurance program, and to pay coordinators in existing projects for the elderly. The bill also provides $201 million for housing for the disabled. No less than 25 percent and no more than 50 percent may be used to provide the disabled with tenant-based vouchers.

Federal Housing Administration (FHA). The FHA provides mortgage assistance and insurance for prospective homeowners. Beginning in 1992, the FHA was split into two separate types of assistance. One is the FHA-mutual mortgage insurance program and includes the mutual mortgage insurance (MMI) and cooperative management housing insurance (CMHI) funds. The other type of assistance is the FHA-general and special risk program and includes the general insurance and special risk insurance funds. The bill establishes a limitation on direct loans for the FHA-mutual mortgage insurance program account of $100 million (the same as last year and $150 million less the president's request), limits guaranteed loans to $160 billion ($20 billion more than the FY 2000 level and the same as the president's request), provides $160 million for administrative contract expenses (equal to both last year's level and the president's request), and provides $330.88 million in administrative expenses (equal to both last year's level and the president's request).

The measure limits direct loans for the FHA-general and special risk program account to $50 million (the same as the FY 2000 level and the president's request), limits guaranteed loans to $21 billion ($2.9 billion more than last the FY 2000 level and equal to the president's request), provides $211.45 million in administrative expenses ($147.5 million more than last year and equal to the president's request), and funds $144 million in non-overhead administrative expenses (the same as FY 2000 and the president's request).

Government National Mortgage Association (GNMA). The bill appropriates $9.38 million, the same as last year and the same as the president's request, for the administrative expenses of the Guarantees of Mortgage-Backed Securities loan guarantee program of GNMA. In addition, the measure limits guaranteed loans to a total of $200 billion, equal to both the president's request and last year's level. No funds were appropriated for $40 million requested by the president to cover administrative contract expenses.

Policy Development and Research

H.R. 4635 appropriates $40 million—$5 million less than last year and $22 million less than the president's request—for research, studies, testing, and demonstrations related to HUD's mission. These projects are carried out through contracts with industry, nonprofit research organizations, and educational institutions.

Fair Housing and Equal Opportunity

The bill provides $44 million, equal to last year and $6 million less than the president's request, to assist states with implementing the Fair Housing Act, which prohibits discrimination in the sale, rental, and financing of housing. The funds are equally divided between the Fair Housing Assistance Program (FHAP) and Fair Housing Initiatives Program (FHIP), with each receiving $22 million. Furthermore, the committee expressed concern about large sums of money being carried over from year to year in this account and therefore included language in the bill that will result in all funds being disbursed before the end of the last quarter of the fiscal year. In addition the committee chose not to fund the president's $3.5 million dollar request for the Fair Housing Partnership program.

Office of Lead Hazard Control

The measure allocates $80 million, the same as last year and $40 million less than the president's request, to provide grants to state and local governments to perform lead hazard reduction activities in housing occupied by low-income families.

Management and Administration

Salaries and Expenses. The measure provides a total of $1 billion for departmental salaries and expenses, $1.4 million less than in FY 2000 and $90.35 million less than the president's request. Furthermore the bill terminates the Community Builder program, which the FY 2000 VA/HUD appropriations bill terminated, but HUD chose to continue anyway, and intends to supplement by hiring an additional 200 personnel.

Inspector General. The bill provides $83 million for the Office of the Inspector General, the same as FY 2000 and $1.34 million less than the president's request. The account funds agency-wide audits and investigations.

Office of Federal Housing Oversight (OFHEO). The bill provides $22 million for this agency, $2.51 million more than last year and $3.8 million less the president's request. The OFHEO was established in 1992 to regulate the financial safety and soundness of the two housing government-sponsored enterprises—the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac).

Administrative Provisions. The bill also (1) modifies financing adjustment factors; (2) prohibits available funds from being used to investigate or prosecute lawful activities under the Fair Housing Act; (3) corrects an anomaly in the HOPWA formula that results in the loss of funds for a state when the number of AIDS cases in a large city increases; (4) extends the VA and HUD enhanced disposition authority to FY 2001; (5) amends the United States Housing Act of 1937 to cap enhanced vouchers; and (6) authorizes PHA's in areas designated by the Housing Secretary to increase the payment standard for section eight vouchers.

Title III—Independent Agencies

Environmental Protection Agency (EPA)

H.R. 4635 provides $7.15 billion for the EPA, $312.77 million less than in FY 2000 and $15.18 million less than the president's request. The EPA was created in 1970 and was the result of the consolidation of nine federal programs from five different agencies. Major EPA programs include those for air and water quality, drinking water, hazardous waste, pesticides, radiation, enforcement and compliance, Superfund, and the Leaking Underground Storage Tank (LUST) program.

Environmental Programs and Management. H.R. 4635 appropriates $1.9 billion—the same as FY 2000 and $199.5 million less than the president's request—for the Environmental Programs and Management account, which funds a broad range of abatement, prevention, and compliance expenses as well as most of the personnel and management costs of the agency. For instance, the account funds setting compliance standards, issuing permits, monitoring emissions, and providing technical and legal assistance to comply with EPA regulations and standards.

Independent Agencies Appropriations, FY 2001

Appropriation Account	FY 2000 Level*	President's Request**	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Battle Monuments Commission	$28.5	$29.2	$28.0	-1.6%	-4.1%
Chemical Safety & Hazard Invest. Board	$8.0	$8.0	$8.0	0.0%	0.0%
Community Dev. Financial Institutions	$95.0	$125.0	$105.0	+10.5%	-16.0%
Consumer Product Safety Commission	$49.0	$52.5	$51.0	+4.1%	-2.9%
Corp. for National and Community Service	$438.5	$538.7	$5.0	-98.9%	-99.1%
Court of Appeals for Veterans Claims	$11.4	$12.5	$12.5	+9.3%	0.0%
Army Cemetery Expenses	$12.5	$15.9	$17.9	+43.9%	+12.5%
Natl. Inst. Environmental Health Science	$60.0	$48.5	$60.0	0.0%	+23.6%
Toxic Subst. And Environ. Pub. Health	$70.0	$64.0	$70.0	0.0%	+9.4%
Environmental Protection Agency	$7,461.7	$7,164.1	$7,148.9	-4.2%	-0.2%
Office of Science and Technology	$5.1	$5.2	$5.2	+0.8%	-1.0%
Environmental Quality	$2.8	$3.0	$2.9	+2.6%	-4.0%
Federal Emergency Management Agency	$3,338.4	$3,580.5	$876.7	-73.7%	-75.5%
Federal Consumer Information Center	$2.6	$6.8	$7.1	+171.6%	+4.4%
NASA	$13,652.7	$14,035.3	$13,713.6	+0.4%	-2.3%
National Credit Union Administration	$1.0	$1.0	$1.0	0.0%	0.0%
National Science Foundation	$3,912.1	$4,572.4	$4,064.3	+3.9%	-11.1%
Neighborhood Reinvestment	$75.0	$90.0	$90.0	+20.0%	0.0%
Selective Service System	$24.0	$24.5	$23.0	-4.2%	-6.0%
Recissions	-$190.5	—	—	—	—
TOTALS	$29,057.8	$30,377.1	$26,290.1	-9.5%	-13.5%

Source: House Appropriations Committee

** The FY 2000 level includes $2.4 billion in emergency spending for FEMA disaster relief*

*** The president's FY 2001budget included a request for $2.6 billion in additional FEMA emergency spending*

The bill again prohibits funds in the measure from being used to develop, propose, or issue rules, regulations, decrees, or orders for the purpose of implementing the Kyoto Protocol. The language is intended to prohibit the implementation of the treaty until the Senate ratifies it. An identical provision was included in the FY 1999 and FY 2000 VA/HUD measures.

The Kyoto Treaty, which was endorsed by the United States and 167 other countries in December 1997 in Kyoto, Japan, requires the U.S. to reduce greenhouse gas emissions by seven percent below 1990 levels no later than 2012. The treaty places binding greenhouses gas emission reductions on the United States and 31 other nations. At the same time, the treaty exempts 132 developing nations, including China, India, Brazil, and Mexico. The committee estimates that these four nations alone are expected to emit more than 50 percent of the world's greenhouse gases by the year 2050. In 1997, the Senate passed a resolution—by a vote of 95-0—expressing the sense of the Senate that the United States should not be a signatory to any protocol regarding climate change in Kyoto that places the U.S. at a competitive disadvantage.

The bill also prohibits the use of any funds to implement rules for the National Pollutant Discharge Elimination System Program, the Federal Antidegradation Policy, and the proposed revisions to the Federal Water Quality Planning and Management Regulations concerning maximum daily loads published in the *Federal Register* on August 23, 1999. This is a bi-partisan response to concerns voiced by numerous states, companies and individuals over the cost, timing and impact of the proposed TMDL rule. The committee's intention is to stay the action until the EPA, Congress and states can resolve the matter.

State and Tribal Assistance Grants. H.R. 4635 provides $3.18 billion, $289.7 million less than last year and $270 million more than the president's request, for environmental grants at the local level. The main program in this account, receiving nearly 40 percent of the funding ($1.2 billion), is the Clean Water State Revolving Funds program that provides grants to municipal, state, and tribal governments to assist in their efforts to design and build wastewater facilities.

Superfund. The bill provides $1.22 billion for the Superfund hazardous waste cleanup program, $2.5 million more than the FY 2000 level and $66.45 million less than the president's request. Superfund was established in 1980 to help clean up emergency hazardous materials, spills, and dangerous, uncontrolled, and/or abandoned waste sites. Included in this portion of the report is a provision, which was also included in the FY 1999 and FY 2000 conference reports, which discourages the use of any invasive sediment remediation technologies until the National Academy of Sciences (NAS) on the matter is complete and its findings are considered by the EPA.

Science and Technology. The bill provides $685 million for EPA research and development, $2 million more than in FY 2000 and $25.22 million less than the president's request. This amount includes a transfer of $35 million from the Superfund account.

Buildings and Facilities. The measure provides $23.93 million for the design and maintenance of EPA-owned facilities, $62.6 million less than in FY 2000 and identical to the president's request.

Leaking Underground Storage Tanks (LUST). The bill provides $79 million for the cleanup of hazardous releases from leaking underground storage tanks, $9 million more than in FY 2000 and $6.9 million more than the president's request.

Oil Spill Response. The bill provides $15 million for EPA to prevent and respond to releases of oil in navigable waterways, the same level as in FY 2000 and $712,000 less than the president's request.

Inspector General. The measure provides $41 million for internal audits and investigations, $2.4 million less than in FY 1999 and $838,000 more than the president's request. This amount includes a transfer of $11 million from the Superfund account.

Executive Office of the President

Office of Science and Technology Policy (OSTP). The bill provides $5.15 million for this account, $42,000 more than the FY 2000 level and $51,000 less than the president's request. The OSTP advises the president and other agencies within the Executive Office on science and technology policies.

Environmental Quality. The measure provides $2.9 million for the Council on Environmental Quality (CEQ) and the Office of Environmental Quality (OEQ), $73,000 more than in FY 2000 and $120,000 less than the president's request. The OEQ and CEQ provide environmental oversight for all federal agencies.

Federal Emergency Management Agency (FEMA)

H.R. 4635 provides $876.73 million for emergency preparedness and disaster response, $2.46 billion less than in FY 2000 (due to slightly more than $3 billion in FY 2000 emergency appropriations) and $2.7 billion less than the president's request (the president requested an additional $2.6 billion in emergency appropriations for FY 2001). Federal disaster assistance is distributed through direct relief and assistance loans.

Disaster Relief. The bill provides $300 billion new budget authority for disaster relief, $2.48 billion less than the FY 2000 request and $2.6 billion less than president's request.

Disaster Assistance Loans. The bill appropriates $1.3 million to cover the cost of loans to states for disaster assistance this is $383,000 less than president's request and equal to the FY 2000 amount. In addition, the measure establishes a limitation on direct loans of $19 million, $6 million less than both the last president's request and last year's level. Also, the measure provides $420,000 for administrative expenses.

Emergency Management Planning and Assistance. H.R. 4635 provides $267 million for the FEMA program to address "core" activities including (1) response and recovery; (2) preparedness training; (3) mitigation programs, fire prevention, and training; (4) information technology support; and (5) executive direction, the same level as FY 2000 and $2.65 million less than the president's request.

Emergency Food and Shelter. The bill provides $110 million (the same as FY 2000 and $30 million less than the president's request) for the FEMA program to address the problems of the hungry and homeless.

Other Appropriations. The measure also provides $190 million for the agency's salaries and expenses—$10 million less than in FY 2000 and $31 million less than the president's request and appropriates $8 million for inspector general's internal audits and investigations, $461,000 million less than the president's request and equal to FY 2000.

General Services Administration (GSA)

Federal Consumer Information Center (FCIC). The bill funds the program at $7.12 million ($4.5 million more than the FY 2000 level and $300,000 more than the president's request) for GSA's consumer information center. The merger of the Consumer Information Center and the Federal Information Center created the FCIC in January of 2000. The FCIC is designed to provide the public with direct information about all aspects of federal program and expects to respond to 21.8 million information requests in FY 2001.

National Aeronautics and Space Administration (NASA)

H.R. 4635 provides a total of $13.7 billion for NASA, $60.9 million more than in FY 2000 and $321.7 million less than the president's request. NASA, created by the 1958 National Space Act, conducts space and aeronautics research, development, and flight activity designed to maintain U.S. preeminence in space. Included in the bill is a provision that prohibits NASA from spending any funds on joint research projects between itself and the Air Force.

Human Space Flight. The measure allocates $5.5 billion for space flight activities, including development of the space station and operation of the space shuttle, $11 million less than in FY 2000 and the same as the president's request. This amount also provides for planned cooperative activities with Russia, performance and safety upgrades to the space shuttle, and required construction projects in direct support of the space station and space shuttle programs. The $5.5 billion provided fully matches NASA's request for this account.

Science, Aeronautics, and Technology. The bill provides $5.6 billion for NASA research and development, the same as FY 2000 and $322.7 million less than the president's request.

Mission Support. H.R. 4635 allocates $2.58 billion ($68.9 million more than in FY 2000 and the same amount as the president's request) for mission support activities.

Inspector General. The bill provides $23 million for internal audits and investigations of NASA programs, $3 million more than in FY 2000 and $1 million more than the president's request.

National Science Foundation (NSF)

H.R. 2684 provides $4.06 billion for the NSF, $152.25 million more than in FY 2000 and $508.1 million less than the president's request. The foundation's primary purpose is to develop national science policy.

Research and Related Activities. The bill provides $3.14 billion—$169.69 million more than in FY 2000 and $405 million less than the president's request—for research and related activities, including the polar research programs, Antarctic logistical support activities, and the Critical Technologies Institute, which were previously funded under separate accounts.

Major Research Equipment. The measure provides $76.6 million ($18.4 million less than in FY 2000 and $61.94 million less than the president's request) to construct research facilities.

Education and Human Resources. The bill provides $694.31 million ($2.29 million less than in FY 2000 and $34.7 million less than the president's request) for programs to (1) encourage talented students to enter into science and technology careers; and (2) improve science and math education.

Miscellaneous Appropriations. The measure also provides $152 million for NSF salaries and expenses ($3 million more than last year and $5.89 million less than the president's request), as well as $5.7 million for the NSF inspector general—$250,000 more than last year and $580,000 less than the president's request.

Other Appropriations

American Battle Monuments Commission. H.R. 4635 provides $28 million ($467,000 less than in FY 2000 and $1.8 million more the president's request) to administer and maintain commemorative cemeteries and war memorials.

Army Cemetery Expenses. The bill appropriates $17.95 million, $5.48 million above the FY 2000 level and $2 million above the president's request, for salaries and expenses to administer and operate the Arlington National Cemetery and Soldier's and Airmen's Home cemeteries.

Chemical Safety and Hazard Investigation Board. The measure allocates $8 million for this agency—the same level as the current year and the president's request—to investigate accidental releases of certain chemical substances resulting in serious injury, death, or substantial property damage.

Community Development Financial Institutions (CDFI). The bill provides $105 million, $10 million more than current year's level and $20 million less than the president's request, to provide grants, loans, and technical assistance to community development financial institutions, such as community development banks.

Consumer Product Safety Commission. The bill appropriates $51 million, $2 million dollars more than the FY 2000 level and $1.5 million less than the president's request for the commission, which works to reduce unreasonable risk of injury associated with consumer products.

Corporation for National and Community Service (AmeriCorps). The bill terminates funding for the Corporation for National and Community Service (except for $5 million for Inspector General activities). The agency received $434.5 million last year and the president requested $533.7 million for FY 2001.

Court of Appeals for Veterans Claims. The measure fully funds the president's request of $12.5 million to review appeals from VA claimants who have been denied benefits, $1.05 million more than in FY 2000.

National Credit Union Association (NCUA) Central Liquidity Facility. The Central Liquidity Facility is a mixed-ownership government corporation within the NCUA. Loans may not be used to expand a loan portfolio, but are authorized to meet short-term requirements such as emergency outflows from managerial difficulties, seasonal credit, and protracted adjustment credit for long-term needs caused by regional economic decline. The measure appropriates $1 million for the Community Development Revolving Loan Fund program of which $650,000 is provided for the Loan Fund and $350,000 is designated for technical assistance grants for low-income credit unions. The community Development Revolving Loan Fund provides assistance to credit unions in low-income areas in order to spur economic development. The president requested no funding for the Loan Fund but did request a new appropriation of $1 million for technical assistance grants.

Neighborhood Reinvestment Corporation. H.R. 4635 provides $90 million—$15 million more than in FY 2000 and equal to the president's request—to promote reinvestment in older neighborhoods by assisting community-based partnerships and supporting private-sector lending activities.

Selective Service System. The measure provides $23 million for the Selective Service System, $1 million less than FY 2000 and $1.48 million less than the president's request. The Selective Service

System is responsible for providing adequate manpower for the armed services during national emergencies.

Title IV—General Provisions

The bill contains 21 general provisions that were included in the budget. Some of these include: (1) limitations on travel expenses; (2) no amounts appropriated will be available beyond the FY 2001 fiscal year unless expressly provided for in the bill; (3) restricting the use of funds in the bill to pay for officials to traveling between their homes and work to those specified und Sections 5 and 31 of the U.S.C; (4) prohibiting funds from being used to compensate non-federal parties that are intervening in regulatory or adjudicatory proceedings; (5) expressing the sense of Congress that to the greatest extent practicable all equipment and products purchased with funds in the act be American made; (6) prohibiting any technical assistance, training or management improvement funds provided in Title II of the bill from being obligated or expended unless HUD provides the Appropriations Committee with a description of each proposed activity and a detailed budget of the costs of that activity, and all such information must be provided to the committee by November 1, 2000; (7) no funds provided in H.R. 4635 can be used to promulgate a final regulation to implement changes in the payment of pesticide tolerance processing fees as proposed in 64 Fed. Reg. 31040 or any similar proposals.

Costs/Committee Action:

At press time the CBO had not released a cost estimate.

The Appropriations Committee reported the bill by voice vote on June 8, 2000.

Other Information:

"Appropriations for FY 2001: VA, HUD, and Independent Agencies," *CRS Report RL30204*, May 12, 2000; "House Committee Sticks with Plan on VA-HUD bill," *CQ Daily Monitor*, June 8, 2000, pp. 2-6; "House Committee Passes Frugal VA-HUD Measure, Expecting More Money Later," James C. Benton, *CQ Weekly,* June 10, 2000, pp. 1388-1390.

Greg Mesack, 226-2305

Noncommercial Broadcasting Freedom of Expression Act of 2000

H.R. 4201

Committee on Commerce
H.Rept. 106-662
Introduced by Mr. Pickering *et al.* on April 6, 2000

Floor Situation:

The House is scheduled to consider H.R. 4201 on Tuesday, June 20, 2000. The Rules Committee is scheduled to meet on Monday, June 19, at 5:00 p.m. to consider a rule for the measure. Information on the rule, and possible amendments will be included in a *Floor Prep* prior to consideration.

Summary:

H.R. 4201 amends the Communications Act of 1934 to allow a nonprofit group to obtain a noncommercial educational radio or television license if the station is used to broadcast material that the group determines serves an educational, instructional, cultural, or religious purpose (or any combination purposes), unless the determination is found to be arbitrary.

The measure also: (1) prohibits the Federal Communications Commission (FCC) from imposing or enforcing any requirements on the licenses based on the number of hours of programming served under the license; (2) prohibits the FCC from imposing or enforcing any other programming content requirements that are not imposed on a commercial radio or television licensee; and (3) prohibits the FCC from establishing or modifying requirements concerning the service obligations of noncommercial educational radio or television station except by means of standard agency rulemaking.

Background:

Since 1952, the FCC has reserved a certain number of television channels for educational broadcasters known as non-commercial educational channels (NCEs). Under current rules, applicants for a reserved NCE television channel must demonstrate that their programming will be primarily educational in nature, therefore meeting the intent for which the channel was reserved. While many religious broadcasters already hold commercial licenses, some have requested that they be certified as NCE-TV broadcasters.

In a policy outlined in a memorandum opinion and order in the decision (*FCC 99-393*), adopted on December 15, 1999, the FCC granted WQED Pittsburgh a broadcast license. However, included in the decision was a section entitled "additional guidance" that attempted to impose content-based requirements on noncommercial educational TV stations in three ways. These guidelines were: (1) organizations must demonstrate that more than half of their broadcasting will be devoted to educational purposes in their community, with requirements for "educational purposes" determined by the FCC, therefore quantifying the obligation of noncommercial licensees; (2) non-commercial broadcasters must have the primary purpose of the program serve the educational, instructional or cultural needs of their community in order to be counted towards the new standard; and (3) established that religious programming "devoted to religious exhortation, proselytizing, or statements of personally held-religious views and beliefs" would not qualify as educational programming.

The FCC vacated this order on January 28, 2000, however questions still remained about the FCC's stance towards religious broadcasting. Concerns have been expressed that if the December order was only a clarification of a previous policy then vacating it would not solve what many believe is the underlying problem with the FCC's interpretation of the law. Some people believe that legislation is needed in order to protect the first amendment rights of religious broadcasters from federal regulations. They strongly oppose any attempt by the FCC to regulate the content of speech broadcast by noncommercial educational stations. The bill is designed to prevent FCC regulation of speech by prohibiting it from engaging in regulating noncommercial educational stations except by the use formal agency rulemaking.

Arguments for and Against the Bill

Arguments in Support of H.R. 4201

Supporters of the bill oppose efforts by the FCC to place any restrictions on the content of noncommercial broadcasts. They believe that noncommercial educational broadcasters should be responsible for using the station to serve the educational or cultural purpose in their community and are the people best able to make judgments about which programming best serves that purpose, not a federal agency. Though the FCC vacated its December order, religious broadcasters are concerned that the order proves the possibility of an anti-religious bias within the Commission, and seek legislation to protect them against arbitrary federal regulations. Proponents of the measure believe that religious broadcasting does serve both an educational and a cultural purpose in communities, and that such programming should be treated on an equal basis with what the FCC considers educational and cultural programming. They believe that the proposed regulation is a blatant infringement of the First Amendment and the Religious Freedom Restoration Act, and that there is a need for legislation to protect the ability of religious groups to use noncommercial educational broadcast licenses.

Arguments Against H.R. 4201

Opponents of the measure believe that allowing religious broadcasters complete control over the content of their programming, without having to meet any standards, will result in religious groups obtaining station and using it for solely religious purposes. They believe that this changes the fundamental nature of noncommercial broadcasting, which was created with the intent of serving general educational purposes. Opponents of the bill point out that the legislation contains no requirement that programming be educational at all, which could result in stations broadcasting 100 percent religious content and serve only one religion in the community. Furthermore they point out that there is no directive on what criteria the FCC should use if there are two religious groups competing for a license. Dissenters recognize that the bill attempts to prevent the FCC from discriminating against a license applicant. However, they believe that the bill could actually force discrimination by forcing the FCC to choose between religious groups in a community applying for the same noncommercial license. They do not believe that the government should be in the position of conferring any special status to one religious broadcaster or should be granting noncommercial status to groups using a station for solely a religious purpose.

Costs/Committee Action:

The CBO estimates that the bill will have no significant impact on the federal budget.

The bill was reported from the Commerce Committee by voice vote on May 17, 2000.

Greg Mesack, 226-2305

Withdrawing the Approval of Congress from the Agreement Establishing the World Trade Organization

H.J.Res. 90

Committee on Ways and Means
Report 106-672
Introduced by Mr. Paul *et al.* on March 6, 2000

Floor Situation:

The House is scheduled to consider H.J.Res. 90 on Tuesday, June 20. The Rules Committee has not yet scheduled a time to meet to consider a rule for H.J.Res. 90. Additional information regarding the rule and any possible amendments will be available in a *FloorPrep* prior to consideration by the House.

Summary:

H.J.Res. 90 would withdraw Congressional approval from the agreement establishing the World Trade Organization (WTO).

Background:

The Uruguay Round Agreements Act (URAA) (*P.L. 103-465),* which established the WTO, requires the President to submit a special report on U.S. participation in the WTO every five years. The report provides an opportunity for Congress to assess whether continued membership in the WTO is in the best interest of the United States. The first of the five-year reports, Chapter II of the "2000 Trade Policy Agenda and 1999 Annual Report of the President's Trade Agreements Program", was presented to Congress on March 2, 2000. The review detailed accomplishments from the past five years including: (1) expanding market access, (2) protecting intellectual property rights, (3) developing methods for dispute resolution, (4) expanding the rule of law, (5) finalizing agreements of financial services, telecommunications, and technology, (6) liberalizing agriculture and services, (7) progress on electronic commerce, (8) increased WTO membership from 119 to 135 nations, and (9) progress towards the accession of China and Taiwan.

After receiving the report, any Member of Congress may introduce a joint resolution to withdraw Congressional approval of the Agreement establishing the WTO. Congress then has 90 days to act on the joint resolution. If the President vetoes the resolution, the veto may be overridden before the end of the 90 days or within 15 days of receiving the veto message.

Cost/Committee Action:

This is a non-binding resolution that does not affect direct spending; so pay-as-you-go procedures would not apply. The Committee on Ways and Means **adversely** reported the bill on June 8, 2000, by a vote of 35-0.

Debt Reduction Reconciliation Act of 2000

H.R. 4601

House Budget Committee
No Report Filed
Introduced by Mr. Fletcher on June 8th, 2000

Floor Situation:

The House is scheduled to consider H. R. 4601 under suspension of the rules on Tuesday, June 20, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 4601 authorizes that an amount equal to any increase in the FY2000 non-Social Security surplus be used to pay down the public debt.

Background:

This bill establishes an off-budget account in the U.S. Treasury, called the "Public Debt Reduction Payment Account" where excess funds can be placed to pay down the public debt. If the non-Social Security surplus projected in *The Economic and Budget Outlook: An Update* is higher than specified in the Congressional budget resolution, the increased amount will be automatically appropriated to the account, and the statutory debt limit will be reduced by an equivalent amount. Funds in the account can be used only to reduce the debt held by the public.

Under the bill, thirty days after the end of FY 2000 and FY 2001 the Treasury must report to Congress the amount of money that was deposited in the account and how the money was used to reduce the public debt. This information must be verified by the U.S. Comptroller General of the United States. Current legislation dictates that money left over at the end of the year must be used to pay down the debt. This bill appropriates the excess funds into the "Public Debt Reduction Payment Account" to ensure that the money will not be used throughout the year for any other purpose. This account will remain available for the use of future years, but the appropriation to the account applies only to excess funds from FY 2000.

Costs/Committee Action:

The Ways andMeans Committee reported the bill by a vote of 32-3 on June 8, 2000.

Courtney Haller and Jennifer Lord, 226-6871

Homeowners' Insurance Availability Act

H.R. 21

Committee on Banking and Financial Services
H.Rept. 106-526
Submitted by Mr. Lazio on January 6, 1999

Floor Situation:

The House is scheduled to consider H.R. 21 on Tuesday, June 20, 2000 under suspension of the rules. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Highlights:

H.R. 21 establishes a voluntary temporary federal disaster reinsurance program to improve the availability of homeowners insurance in regions of the U.S. where coverage is difficult to obtain. The bill will authorize the Treasury Department to sell, through a competitive market auction, yearly reinsurance contracts against worst-case natural catastrophes to interested groups, which would likely include state governments, insurers, reinsures and other parties. State programs and private participants found in violation of the Fair Housing Opportunity Act would not be allowed to participate in the program.

Reinsurance coverage available under the program will only cover losses incurred in extremely infrequent earthquakes, hurricanes and other perils as determined by the Treasury Secretary in consultation with the National Commission on Catastrophic Risks and Insurance Loss Coverage (NCCRILC) established in the legislation. The Treasury Secretary sets coverage levels after consulting with the commission and can set the coverage levels higher than the level recommended by the commission, but not lower than the commission's recommendations. The coverage level cannot be set at a level that will displace the private insurance or reinsurance market, therefore minimum coverage levels cannot be less than a range between the residential insured loss likely to occur in a state or region from a catastrophe likely to occur once every 100 years and a catastrophe likely to occur once every 250 years, or $2 to $5 billion, whichever is greater. Should a natural disaster in a region of the U.S. result in insured losses above the minimum levels established in the reinsurance contracts offered for sale, those losses would be reimbursed at a rate of 50 percent for each dollar of eligible loss. Based on the minimum coverage levels established in the legislation it is unlikely that any U.S. disaster in the 20th Century would have qualified for reinsurance coverage.

Any reinsurance claims made under the program will be paid from the accumulated premiums collected from the sales of contracts sold at auctions. If the claims exceed the accumulated surpluses the federal government can loan necessary amounts, at market interest rates, except governmental liability cannot exceed $25 billion. In order to prevent the government from exceeding $25 billion in liability the bill a creates a "soft cap" on government liability, capping the amount of reinsurance the government can sell by requiring that the expected payments on all outstanding contracts cannot exceed $25 billion. The estimate is made by the Treasury Department and the NCCRILC. A "hard cap" is also established by using a formula to determine how much reinsurance can be sold by auction each year.

The price for reinsurance contracts will be determined through competitive auctions each year. The Treasury Department will establish a minimum reserve price below which no bid will be accepted. This price will include components that reflect the actuarial probability of loss for a region, an additional risk load that is not less than the actuarial probability of loss, and a component to cover the operational cost of the program. The minimum reserve price must be established at levels that make the program self-sufficient.

The program will be sunset after 10 years, unless the Treasury Department determines that there has not been sufficient growth in the private market insurance capacity. In that case Treasury may extend the program for up to five years. Any revenue remaining in the program is transferred to the general treasury for deficit reduction.

Background:

Between 1989 and 1999 catastrophe losses from natural disasters amounted to $105.3 billion dollars, nearly twice as much as all catastrophe losses in the previous 40 years. The situation is likely to get worse in the future. Several factors are likely to combine to increase the risk of catastrophic loss. These include: (1) rapid growth in population in disaster-prone areas; (2) inflation of property values and rising business interruption costs; and (3) cyclical natural forces. The National Oceanic and Atmospheric Administration (NOAA) reports that the population density per square mile in hurricane-prone southeast areas increased 129 percent during the period 1960-90, while the rest of the U.S. saw an increase of only 39 percent. Furthermore, the three states with the largest expected increases in population for the next five years are California, Texas and Florida, which are also three of the states at greatest risk for natural disasters.

As catastrophic losses grow many analysts believe that insurers will be increasingly threatened with insolvency. A major catastrophe could create insolvency in the insurance and financial markets by forcing major insurers to liquidate assets to pay claims, particularly assets in the bond market or force insurers to claim insolvency, which would impact the payment of claims, drain state guaranty funds and damage securities markets. This has led to a decrease in availability of homeowners' insurance coverage in high-risk areas. For example, following the Northridge Earthquake in California, 95 percent of the homeowners insurance market in that state would not provide new coverage. In response to this situation many states created reinsurance funds to stabilize local insurance markets provide a source of coverage for homeowners' who could not otherwise obtain it. These funds are able to pay loss claims from events of some severity, but it is doubtful that they could cover the worst of scenarios. In the event a natural disaster exceeds a states' insurance program capacity homeowners would receive only a partial claim for losses, and the insurance fund would be bankrupted.

Analysts project that a catastrophe of $50 to $100 billion dollars could result in the insolvency of 36 percent of all insurers, depending on where the event occurs, leaving consumers with unfounded claims of up to $56 billion. Furthermore, private insurers in the United States have roughly $24 billion of catastrophic excess-of-loss reinsurance, representing about 10 to 15 percent of the worst-case scenario.

Provisions:

Program Authority. The bill gives the Treasury Secretary the authority to provide a federal reinsurance program through reinsurance regional contracts to eligible purchasers under section 7 so long as the private sector is not displaced.

Qualified Lines of Coverage. The measure provides coverage specifically for residential property losses to homes, condominiums, cooperatives and contents of apartment buildings.

Covered Perils. The events which qualify for coverage under the bill include (1) earthquakes, (2) perils ensuing from earthquakes (fire and tsunami), (3) tropical cyclones (including hurricanes and typhoons) where the maximum sustained winds are equal to or greater than 74 miles per hour, (4) tornadoes, and (5) volcanic eruptions.

Auction of Contracts for Reinsurance Coverage. The Treasury will provide for auctioning contracts to private insurers, reinsurers and state insurance and reinsurance programs. Auctions will provide for coverage in no less than six regions, with separate regions including all or part of Florida and all or part of California. The Secretary is directed to attempt to create regions of similar risk, and not combine states at less risk of losses to covered perils with states at higher risk.

In auctioning the contracts, Treasury will set a reserve price as the lowest base price of the contract, based on the NCCRILC recommendations, and including include a risk-based price no lower than twice the anticipated payout of the contract according to the NCCRILC actuarial analysis and recommendations. A risk load at least equal to the risk-based price, and administrative costs also taking into account administrative expenses and mitigation efforts are to be factored into the reserve price.

Each contract purchaser is required to provide an additional amount of up to 5% of the contract purchase price for mitigation activities to communities located located within the covered state. Furthermore terms of the contract: (1) cannot exceed one year or other term determined by the Secretary, (2) are fully transferable and divisible, (3) must cover eligible losses from multiple events during the term of the contract, (4) provide for payment above the minimum level of retained losses by region as specified in section 8 of the bill, (5) provide purchasers an opportunity to purchase additional contracts for identical coverage for the remaining term of the initial contract if the coverage under the initial contract is exhausted to become effective 15 days after the date of purchase, and (6) require the purchaser to notify the Secretary of any resale, transfer, assignment or division and the subsequent compensation paid.

Anti-Redlining Requirement. H.R. 21 prohibits the Secretary from making Federal reinsurance contracts available for purchase unless the purchaser certifies that the insurer or reinsurer has not been adjudicated in a federal court premised upon a violation of the Fair Housing Act.

Minimum Level of Retained Losses and Maximum Federal Liability. The measure requires minimum levels of retained losses by region at a level that is no less than the losses likely to occur from a catastrophe which occurs in a range between once every 100 years and once every 250 years, or between $2 billion and $5 billion, whichever is greater. The bill allows the Treasury Department to annually raise the minimum level of retained losses to reflect the growth of capacity in the private market.

In all cases, contracts sold by the Secretary cannot exceed $25 billion in liability, adjusted annually for inflation. Regions are allowed to annually purchase an amount of reinsurance that is no greater than the difference between losses likely to occur from a one in 500-year event and losses from a one in 100-year event. Also, the Treasury Department is prohibited from making available for purchase reinsurance contracts that would pay out more than 50 percent of eligible losses under contract for state programs or by region.

Disaster Reinsurance Fund. A fund is established within the Treasury Department to accept proceeds from the sale of contracts, borrowed funds, investments or other amounts.

National Commission of Catastrophe Risks and Insurance Loss Costs (NCCRILC). The bill establishes the NCCRILC with the sole purpose of advising the Secretary regarding estimating the loss costs associated with reinsurance contracts under the bill. H.R. 21 provides an appropriation of $1 million for startup costs and $1 million for program operations, with cost offsets derived from contract proceeds. Five members of the commission are to be appointed by the Secretary. NCCRILC members will have no personal, professional, or financial interest at stake in the deliberations of the commission. At least one member shall represent a nationally recognized consumer organization.

Regulation. The bill allows the secretary to issue any regulations necessary to carry out the program for reinsurance.

Termination. Ten years after enactment the program is required to be terminated. In the event that the Secretary, in consultation with the Commission, determines that there is insufficient growth of capacity in the private homeowners' insurance market, program may be extended for an additional five-year term.

Annual Study of Cost and Availability of Disaster Insurance and Program Need. The Treasury Secretary is required to report the cost and availability of homeowners' insurance for losses resulting from catastrophic natural disasters annually. The first report is due two years after the date of enactment.

GAO Study of Hurricane Related Flooding The GAO is required to report on the availability and adequacy of flood insurance coverage for residential losses and other properties caused by hurricane-related flooding, to be submitted to Congress no later than five months after enactment.

Costs/Committee Action:

While the budgetary impact of this 10 to 15-year legislation is uncertain, CBO estimates that enacting the bill may increase direct spending over the 2000-2010 period on an expected value basis. CBO expects that over the 10 to 15-year life of this program federal payments for disaster insurance claims would exceed the premiums collected from state programs and private insurance companies for providing disaster reinsurance. However, CBO did indicate that reinsurance contracts under H.R. 21 and the emphasis these contracts place on mitigation efforts might reduce other federal payments for disaster assistance. Because most federal disaster payments are funded by annual appropriations, enacting H.R. 21 could eliminate the need for future appropriations, but CBO cannot estimate the likelihood or magnitude of any such savings. Because the bill would affect direct spending, pay-as-you-go procedures would apply.

The Banking and Financial Services Committee reported the bill by a vote of 34-18 on November 10, 1999.

Greg Mesack, 226-2305

To Present Congressional Gold Medals to the Apollo 11 Astronauts

H.R. 2815

House Committee on Banking and Financial Services
Introduced by Mr. Rogan on September 8, 1999

Floor Situation:

The House is scheduled to consider H.R. 2815 under suspension of the rules on Tuesday, June 20, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

The President is authorized to present, on behalf of the Congress, gold medals of appropriate design to astronauts Neil A. Armstrong, Buzz Aldrin, and Michael Collins, in recognition of their monumental and unprecedented feat of space exploration, as well as their achievements in the advancement of science and promotion of the space program. The Secretary of the Treasury shall strike a gold medal with suitable emblems, devices, and inscriptions.

Astronaut Neil A. Armstrong, as commander of Apollo 11, achieved the historic accomplishment of piloting the Lunar Module 'Eagle' to the surface of the Moon, and became the first person to walk the Moon on July 20, 1969. Astronaut Buzz Aldrin joined Neil A. Armstrong in piloting the Lunar Module 'Eagle' to the surface of the Moon, and became the second person to walk upon the Moon on July 20, 1969. Astronaut Michael Collins provided critical assistance to his fellow astronauts that landed on the Moon by piloting the Command Module 'Columbia' in the Moon's orbit and communicating with Earth, thereby allowing his fellow Apollo 11 astronauts to successfully complete their mission on the surface of the Moon. By conquering the Moon at a great personal risk to their safety, the three Apollo 11 astronauts advanced America scientifically and technologically, paving the way for future missions to other regions in space. The Apollo 11 astronauts, by and through their historic feat, united the country in support of continued space exploration and research.

The Secretary may sell bronze duplicates of the gold medal at a price sufficient to cover the costs of the medals. Amounts received from the sale of duplicate bronze medals shall be deposited in the United States Mint Public Enterprise Fund.

Committee Action:

The bill was not considered by a committee.

Kimberly Torrence, 226-2302

Designating The John Brademas Post Office

H.R. 2938

Committee on Government Reform
No Report Filed
Introduced by Mr. Roemer

Floor Situation:

The House is scheduled to consider H.R. 2938 under suspension of the rules on Tuesday, June 20, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 2938 designates the post office located at 424 South Michigan Street in South Bend, Indiana, as the John Brademas Post Office. Dr. John Brademas, President Emeritus of NYU, served for 22 years (1959-1981) as U.S. Representative in Congress from Indiana's Third District, the last four as House Majority Whip. In Congress, Dr. Brademas was a member of the Education and Labor Committee, the House Administration Committee, and the Joint Committee on the Library of Congress. He played a principal role in writing most Federal legislation concerning education, services for the elderly and handicapped, and support for libraries, museums, and the arts and humanities. Dr. Brademas has been awarded honorary degrees by 50 colleges and universities and has received numerous awards and titles from local, national, and international institutions and organizations.

Committee Action:

This bill has not been considered by a House committee.

Christina Carr, 226-2302

FY 2001 Agriculture Appropriations Act

H.R. 4461

Committee on Appropriations
H.Rept. 106-619
Submitted by Mr. Skeen on May 16, 2000

Floor Situation:

The House is scheduled to consider H.R. 4461 during the week of June 19th, 2000. The Rules committee will consider a rule during the course of the week. Additional information on the rule and amendments will be provided in a *FloorPrep* prior to floor consideration.

Highlights:

H.R. 4461 appropriates $75.3 billion in new FY 2001 budget authority for agriculture programs, $524 million less than last year and $1.8 billion less than the president's request. The bulk of the mandatory spending goes toward (1) food stamps ($21.2 billion), (2) the Food and Drug Administration ($1.2 billion), (3) child nutrition programs ($9.5 billion), (4) the Federal Crop Insurance Corporation ($1.7 billion), and (5) the supplemental nutrition program for Women, Infants, and Children (WIC, $4 billion).

In addition, the bill increases funding for Farm Service Agency salaries and expenses by $34 million, for agriculture credit programs by $1.4 billion, Rural Housing loan authorizations by $484 million, and there is a new $35 million increase through a Special Supplemental Nutrition Program for the Women, Infants and Children (WIC) program.

Background:

The U.S. Department of Agriculture (USDA) carries out a wide variety of responsibilities through approximately 30 separate internal agencies staffed by some 100,000 employees. Agriculture appropriations fund agricultural research, marketing and export efforts, commodity price and income supports, production adjustment programs, crop and disaster insurance, subsidized farm loans, conservation activities, health and safety-related research and inspections, rural development programs, international food aid, domestic food programs (e.g., food stamps and school lunches), and the administrative expenses of operating the USDA. The funds appropriated to USDA represent about five percent of total federal government spending.

The 1996 Federal Agricultural Improvement and Reform (FAIR) Act (*P.L. 104-127*), reauthorized and restructured existing farm programs over seven years to provide seven-year production and market-transition contracts to farmers in place of previously-offered crop subsidies. Additionally, FAIR reduced direct federal government management of farmland in exchange for allowing farm owners greater flexibility to enroll their land in conservation programs.

Provisions:

FY 2001 Agriculture Appropriations

Bill Title	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Title I--Agriculture Programs	$35,436.3	$34,740.3	$34,484.0	-2.7%	-0.7%
Title II--Conservation Programs	$804.2	$878.0	$812.8	+1.1%	-7.4%
Title III--Rural Economic and Community Development Prog.	$2,187.5	$2,587.6	$2,350.7	+7.5%	-9.2%
Title IV--Domestic Food Prog.	$35,044.1	$36,264.7	$35,230.4	+0.5%	-2.9%
Title V--Foreign Asst. Prog.	$1,055.7	$1,090.8	$1,049.4	-0.6%	-3.8%
Title VI--Related Agencies	$1,112.0	$1,283.3	$1,171.3	+5.3%	-8.7%
Title VII--General Provisions	$2.3	$0.0	$4.0	+77.8%	—-
Title VII--Emergency Appropriations	$8,670.5	$0.0	$0.0	—-	—-
Committee Totals	$84,312.5	$76,844.6	$75,102.5	-10.9%	-2.3%

Source: House Appropriations Committee

Title I — Agriculture Programs

H.R. 4461provides almost $34.4 billion for agricultural programs in FY 2001**,** $952 million less than FY 2000 and $256 million less than the president's request.

Office of the Secretary

The bill appropriates $2.8 million for the Agriculture Secretary, an increase of $1,000 above the FY 2000 level and $78,000 less than the president's request.

Executive Operations and Various Other Administrative Expenses

The bill appropriates $124 million for various offices and administrative functions within USDA, including:

* $6.4 million for the **Office of the Chief Economist**, which is equal to the FY 2000 level and $2.2 million less than the president's request. The Chief Economist advises the Agriculture Secretary on the economic implications of USDA policies and programs and serves as the focal point for the nation's economic intelligence and analysis, risk assessment, and cost-benefit analysis related to domestic and international food and agriculture;

* $11.7 million for the **National Appeals Division**, which is $11,000 above the FY 2000 level and $892,000 less than the president's request. The division conducts administrative hearings and reviews adverse program decisions;

Title I — Agricultural Programs

Appropriations Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Office of the Secretary	$15.4	$2.9	$2.8	-81.6%	-2.7%
Executive Operations	$35.5	$124.1	$64.5	+81.7%	-48.0%
Outreach for Socially Disadvantaged Formers	$3.0	$10.0	$3.0	0.0%	-70.0%
Departmental Administration	$34.7	$40.7	$34.7	0.0%	-14.8%
Office of Communications	$8.1	$9.0	$8.1	0.0%	-9.9%
Office of Insector General	$65.1	$70.2	$65.1	0.0%	-7.3%
Office of General Counsel	$29.2	$32.9	$29.2	0.0%	-11.2%
Office of the Assist. Sec. for Cong. Relations	$3.6	$3.8	$3.7	+2.8%	-2.9%
Miscellaneous Offices	$52.5	$39.3	$39.3	-25.1%	0.0%
USDA Buildings & Facilities	$140.3	$182.7	$150.3	+7.1%	-17.7%
Haz. Waste Management	$15.7	$30.1	$15.7	0.0%	-47.8%
Economic Research Service	$65.4	$55.4	$66.4	+1.6%	+19.8%
Nat'l Agric. Statistics Service	$99.3	$100.6	$100.9	+1.5%	+0.2%
Agricultural Research Service	$830.4	$894.3	$850.4	+2.4%	-4.9%
CSREES	$945.6	$965.3	$945.8	+0.0%	-2.0%
Office of Undersec. For Marketing and Reg.	$0.6	$0.6	$0.6	0.0%	-2.7%
Agricultural Marketing Service	$65.1	$81.5	$71.3	+9.4%	-12.6%
Animal & Plant Health Inspection Service	$443.0	$517.6	$475.2	+7.3%	-8.2%
Grain Inspection Admin.	$26.4	$33.5	$27.8	+5.2%	-17.1%
Office of Undersec. for Food Safety	$0.4	$0.6	$0.4		
Food Safety & Inspection Svc.	$649.1	$688.2	$673.8	+3.8%	-2.1%
Risk Management Agency	$64.0	$67.7	$67.7	+5.8%	0.0% #
Farm Service Agency	$1,094.0	$1,287.8	$1,286.8	+17.6%	-0.1%
Office of Undersec. for Farm and Foreign Ag. Services	$0.6	$0.6	$0.6	0.0%	0.0%
Support Services Bureau	$0.0	$0.0	$0.0	—-	0.0%
Agriculture Credit Insurance	$296.2	$455.0	$455.0	+53.6%	0.0%
Federal Crop Insurance Corp.	$710.9	$1,727.7	$1,727.7	+143.0%	0.0%
Commodity Credit Corp.	$30,037.1	$27,771.0	$27,771.0	-7.5%	0.0%
Total, Title I Programs	$35,436.3	$34,740.3	$34,484.0	-2.7%	-0.7%

Source: House Appropriations Committee

* $6.6 million for the **Office of Budget and Program Analysis**, wich is equal to the FY 2000 level and $184,000 less than the president's request. The Office of Budget and Program Analysis directs the USDA's budgetary functions, analyzes program and resource issues, and coordinates preparing and processing regulations and legislative programs;

* $10 million, $4 million more than the FY 2000 level and $4.6 million less than the president's request, for the **Office of Chief Information Officer** to provide policy guidance, leadership, expertise, and direction in the department's information management and technology activities;

* $4.7 million, equal to the FY 2000 level and $1.7 million less than the president's request, for the **Chief Financial Officer** to provide leadership and expertise in developing department and agency programs in financial management, accounting, travel, and performance;

* $25 million for a **common computing environment**, $12 million more than FY 2000 and $50 million below the president's request;

* $34.7 million for **departmental administration**, the same amount as FY 2000 and $6 million below the president's request, to provide staff support to top policy officials and overall direction and coordination of the department. Such activities include department-wide programs for human resource management and emergency preparedness;

* $150 million for **agriculture buildings, facilities, and rental payments**, $10 million more than FY 2000 and $32.4 million below the president's request;

* $29 million for the **Office of the General Counsel**, equal to the FY 2000 level and $3.6 million less than the president's request, for all legal work arising from USDA's activities;

* $65 million for the **Office of the Inspector General**, equal to last year's level and $5.1 million less than the president's request, to direct audit and investigative activities within the USDA;

* $540,000 for the **Office of the Under Secretary for Research, Education, and Economics**, the same as FY 2000 and $816,000 less than the president's request;

* $15.7 million, equal to FY 2000 and $14 million below the president's request, for **hazardous waste management** on waste storage sites within USDA jurisdiction.

The bill also provides funds at approximately the same level as last year for several administrative programs, including: (1) $613,000 for the Assistant Secretary for Administration; (2) $560,000 for the Under Secretary for Food Safety; (3) $8.1 million for the Office of Communications; (4) $3.6 million for the Office of the Assistant Secretary for Congressional Relations to maintain liaison with Congress and the White House; (5) $635,000 for the Under Secretary for Marketing and Regulatory Programs; (6) $3 million for outreach for socially disadvantaged farmers; and (7) $589,000 for the Under Secretary for Farm an Foreign Agricultural Services.

Economic Research Service (ERS)

The bill appropriates $66.4 million for ERS, $1 million more than FY 2000 and $10.9 million more than the president's request. This includes money to research the effectiveness of the food stamp and WIC programs. ERS also provides economic and social science data and analysis for public and private decisions on agriculture, food, natural resources, and rural America.

National Agricultural Statistics Service (NASS)

The bill provides $100.8 million for NASS, $1.5 million more than FY 2000 and $236,000 above the president's request. NASS collects and publishes current agricultural statistics to help in making effective policy, production, and marketing decisions. Included in this amount is $15 million for the Census of Agriculture, which collects and provides comprehensive data every five years on all aspects of the agricultural economy.

Agricultural Research Service (ARS)

The bill provides almost $850.4 million for ARS, $20 million more than FY 2000 and $43.8 million less than the president's request. Created in 1953, ARS researches livestock, plant science, entomology, soil and water conservation, agricultural engineering utilization and development, and nutrition and consumer use. This account funds individual research projects, building maintenance costs for national research laboratories, and the salaries of ARS researchers. The bill also provides $39.3 million for ARS buildings and facilities.

Cooperative State Research, Education, and Extension Service (CSREES)

The bill provides $945.8 million for CSREES, $236,000 more than FY 2000 and $19,463 less than the president's request. CSREES was created in 1994 by merging the Cooperative State Research Service and the Extension Service. It works with university partners to advance research, extension, and higher education in the food and agricultural sciences and related environmental and human sciences to benefit individuals, communities, and the nation. Programs within the service are detailed below.

Research and Education. The bill appropriates $477.5 million for CSREES research and education activities, $16.6 million more than FY 2000 and $4.3 million more than the president's request, to administer agriculture research and higher education carried out by the State Agriculture Experiment Stations.

Native American Institutions Endowment Fund. The bill provides $7.1 million, 2.5 million more than the FY 2000 level and equal to the president's request, for the new Native American Institutions Endowment Fund, which supports student recruitment and retention, curriculum development, faculty preparation, and the purchase of scientific equipment at 29 tribally-owned land grant institutions. Each year, 60 percent of the interest from this endowment will be distributed among the land grant institutions on a pro rata basis (based on the Native American student count), and the remaining 40 percent will be distributed in equal shares to the institutions.

Extension Activities. The bill appropriates $428.7 million for extension activities, $4.5 million more than FY 2000 and $504,000 more than the president's request. Extension activities provide instruction and demonstrations in agricultural and home economics and related subjects. The service also provides nutrition training to low-income families, 4-H Club work, and educational assistance such as community resource development.

Animal and Plant Health Inspection Service (APHIS)

The bill appropriates $475.2 million for APHIS, $32.2 million more than FY 2000 and $42.4 million less than the president's request. APHIS protects the nation's animal and plant resources from pests and disease by conducting inspections and quarantines at U.S. ports of entry, providing scientific and technical services, and overseeing animal damage control programs.

Agricultural Marketing Service (AMS)

The bill provides $71.2 million for AMS, $6.1 million more than FY 2000 and $10.2 million less than the president's request. Created in 1972, the AMS provides market news reports, develops quality grade standards, administers USDA's laboratory accreditation program, and advances orderly and efficient marketing, distribution, and transportation of products from the nation's farms. In addition, the bill prohibits the USDA from disallowing participation by farmer-owned cooperatives in the commodity purchase program.

Grain Inspection, Packers and Stockyards Administration (GIPSA)

The bill appropriates $27.8 million for GIPSA, $1.3 million less than the FY 2000 level and $5.7 million under the president's request. GIPSA was created by the merger of the Federal Grain Inspection Service and the Packers and Stockyard Administration in 1994. It inspects, grades, and weighs various kinds of grain; grades dry beans, peas, and processed grain products; and monitors competition in order to protect producers, consumers, and industry from deceptive and fraudulent practices which affect meat and poultry prices.

Food Safety and Inspection Service (FSIS)

The bill provides $673.7 million for FSIS, $24.6 million more than FY 2000 and $14.4 million below the president's request. Created in 1981, FSIS assures that meat, poultry, and egg products (domestic and foreign) meet federal quality, labeling, and packaging standards.

Farm Service Agency (FSA)

The bill appropriates $1.2 billion for the Farm Service Agency, $192 million more than FY 2000 and $1 million under the president's request.

Created in 1994 by the Department of Agriculture Reorganization Act (DAGRA) as the Consolidated Farm Service Agency, the name was shortened in 1995. FSA administers the commodity price support and production adjustment programs financed by the Commodity Credit Corporation, the warehouse examination function, several conservation programs (see Title II) formerly performed by the Agricultural Stabilization and Conservation Service, and farm and disaster assistance loans from the former Farmers Home Administration.

The agency also conducts the Dairy Indemnity Program, which receives $450,000 for FY 2001. The Dairy Indemnity Program compensates dairy farmers and manufacturers who suffer losses from the removal of their milk from commercial markets due to product contamination by registered pesticides.

Agricultural Credit Insurance Fund (ACIF)

The bill provides $455 million—$158 million more than FY 2000 and equal to the president's request—to support $4.5 billion in loans to farmers and ranchers. This appropriation includes $18 million in farm ownership loans, $129 million in farm operating loans, and $269 million for salaries and administrative expenses. ACIF loans help producers (1) acquire, enlarge, and improve property; (2) purchase livestock, feed, equipment, seed, fertilizer, and other supplies, (3) refinance their debts, (4) take steps to conserve soil and water, and (5) recover from natural disasters. ACIF also makes loans to Indian tribes to help them acquire lands within their reservation.

Risk Management Agency (RMA)

The measure provides $67.7 million, $3.7 million more than FY 2000 and the same as the president's request, for the RMA. RMA manages program activities in support of the federal crop insurance program to provide actuarially sound crop insurance policies.

Federal Crop Insurance Corporation Fund

The bill provides $1.7 billion for the Federal Crop Insurance Corporation Fund, $1 billion more than FY 2000 and equal to the president's request. Through programs administered by the 1994 Department of Agriculture Reorganization Act (DAGRA), insurable crop producers are eligible to receive a basic level of protection against catastrophic losses, which covers 50 percent of the normal yield at 55 percent of the expected price. Producers pay $60 per policy, $200 for all crops grown in a county, with a cap of $600 per producer. Any producer who opts for catastrophic coverage may purchase additional insurance coverage at a subsidized rate. The federal crop insurance program is administered by the Risk Management Agency.

Most policies are sold and completely serviced through approved private insurance companies that are reinsured by USDA. The USDA absorbs a large percentage of the program losses, compensates the reinsured companies for a portion of their delivery expenses, and also subsidizes the premium paid by participating producers. Program losses and the premium subsidy are mandatory expenditures which are funded through the Federal Crop Insurance Fund. Because crop losses caused by natural disasters are impossible to predict, outlays of the fund are difficult to budget. Hence, the bill provides "such sums as are necessary" in the annual appropriations bill.

Commodity Credit Corporation (CCC)

The bill provides $27 billion for the CCC, $2.2 billion less than FY 2000 and equal to the president's request, to reimburse the CCC for net realized losses.

Created in 1933, the CCC is a government-owned entity for financing production adjustment programs, as well as price supports, for numerous commodities such as grains, cotton, milk, sugar, peanuts, wool, and tobacco. Its aim is to stabilize, support, and protect farm income and prices; assist in maintaining balance and adequate supply of such commodities; and facilitate their orderly distribution. The CCC serves as a funding mechanism for several USDA export subsidy programs, including the export enhancement program, export credit guarantees, and the market assistance program, and for an array of conservation programs, including the conservation reserve program, the wetlands reserve program, and the environmental qualities incentive program.

The CCC is managed by a board of directors appointed by the president and confirmed by the Senate, subject to general supervision and direction by the Agriculture Secretary. Because most of the CCC's activities are mandatory spending programs, they do not require annual appropriations. The corporation borrows money from the Treasury to fund its operations. However, because total CCC outstanding borrowing cannot exceed $30 billion, the annual appropriations bill usually contains funding to reimburse net realized losses (i.e., outlays) so the CCC does not exhaust its borrowing authority.

Title II — Conservation Programs

Title II — Conservation Programs

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Office of the Undersecertary	$0.7	$0.7	$0.7	0.0%	-2.5%
Natural Resources Cons. Ser	$803.5	$877.3	$812.1	+1.1%	-7.4%
TOTALS	$804.1	$878.0	$812.8	+1.1%	-7.4%

Source: House Appropriations Committee

Office of the Under Secretary for Natural Resources and Environment

The bill provides $693,000, equal to the FY 2000 level and $18,000 less than the president's request, to the Office of the Under Secretary for Natural Resources and Environment to provide direction and coordination in carrying out laws concerning natural resources and the environment.

Natural Resources Conservation Service (NRCS)

The bill provides $812 million, $8.6 million more than FY 2000 and $65.1 million less than the president's request, for the NRCS. Created by the 1994 Department of Agriculture Reorganization Act (DAGRA), NRCS combines the former Soil Conservation Service and three natural resource conservation cost-share programs previously run by the Agricultural Stabilization and Conservation Service. It works together with conservation districts, watershed groups, and federal and state agencies to aid agricultural production on a sustained basis and reduce damage caused by floods, sedimentation, and pollution. Activities include the following programs:

Conservation Operations. The bill provides $676.8 million to sustain agricultural productivity and protect and enhance the natural resource base, $16 million more than FY 2000 and $70 million less than the president's request.

Watershed Surveys and Planning. The bill provides $10.8 million—$500, 000 more than FY 2000 and the president's request—to fund investigations and surveys of watersheds and other waterways.

Watershed and Flood Prevention Operations. The bill provides $83.4 million—$8.2 million less than the FY 2000 level and equal to the president's request—to facilitate cooperation between the federal government and states to prevent erosion, flood-water, and sediment damage in watersheds, rivers, and streams and to further the conservation, development, utilization, and disposal of water.

Resource Conservation and Development. The bill provides $41 million—$5.7 million more than FY

2000 and $4.7 million over to the president's request—for conservation programs including Resource Conservation and Development Program, to assist local groups in conserving land and other resources.

Title III — Rural Economic and Community Development Programs

The 1994 Department of Agriculture Reorganization Act (DAGRA) abolished several programs and agencies funded under this title in FY 1995, including the Farmers Home Administration, the Rural Development Administration, and the Rural Electrification Administration, and replaced them with the Rural Housing Service, Rural Business-Cooperative Service, and Rural Utilities Service. The bill appropriates $2.4 billion, $220 million more than FY 2000 and $179 million less than the president's request, for these accounts:

Title III — Farm and Rural Development Programs

Appropriation Account	FY 2000 Level (in millions)	President's Request (in millions)	**FY 2001 Proposal** (in millions)	% Change from Last Year	% Change from Request
Office of the Undersecretar	$0.6	$0.6	$0.6	0.0%	-2.8%
Rural Community Advance.	$693.6	$762.5	$775.8	+11.9%	+1.7%
Rural Housing Service	$1,332.0	$1,536.2	$1,383.4	+3.9%	-9.9%
Rural Bus. Coop. Service	$54.0	$56.9	$38.2	-29.2%	-32.8%
Rural Utilities Service	$107.3	$100.9	$89.4	-16.7%	—-
TOTALS	$2,187.5	$2,457.2	$2,287.5	+4.6%	-6.9%

Source: House Appropriations Committee

Under Secretary for Rural Economic and Community Development

The bill appropriates $588,000 for the under secretary, who provides direction and coordination in carrying out laws concerning the department's rural economic and community development activities. This amount is equal to the FY 2000 level and $17,000 less than the president's request.

Rural Community Advancement Program (RCAP)

The measure provides $775 million—$82 million more than FY 2000 and $13 million more than the president's request—for the RCAP, which consolidates funding for various waste and water disposal programs, distributes grants to rural businesses and enterprises. The program was authorized by the 1996 Federal Agriculture Improvement and Reform Act (FAIR). The bill allows state rural development directors to transfer up to 25 percent between projects, as long as such transfers do not result in more than 10 percent transferred nationally.

Rural Housing Service (RHS)

RHS was established in 1994. Its programs were previously administered by the Farmers Home Administration and the Rural Development Administration. The mission of the service is to improve the quality of life in rural America by assisting rural residents and communities in obtaining adequate and affordable housing and access to needed community facilities. Amounts appropriated for specific RHS programs are discussed below.

Rural Housing Insurance Fund Program Account. The bill appropriates $1.2 billion—the $88.9 million more than FY 2000 and $135 million less than the president's request—to support $5 billion in rural housing loans. This sum includes $254 million in direct loan subsidies, $7.4 million in guaranteed loan subsidies, and $375.8 million for administrative expenses. Created in 1965, RHFP makes (1) rural housing loans to farm owners, owners of other real estate in rural areas, and long-term farm leaseholders to build, improve, alter, repair, or replace houses, barns, silos, and other essential buildings; (2) rental housing loans (which must be repaid within 30 years) to individuals, corporations, and associations which provide moderate-cost rental housing to the elderly; and (3) farm labor housing loans to farm owners and private organizations to provide modest living quarters for domestic farm labor. The program is limited to rural areas with populations less than 20,000.

Rental Assistance Program. The bill provides $655.9 million—$15.9 million more than the FY 2000 level and $24.1 million less than the president's request—to help low-income families living in RHS-financed rental and farm labor housing projects pay their rent. Tenants must contribute the higher of (1) 30 percent of their monthly adjusted income, (2) 10 percent of monthly income, or (3) designated housing payments from a welfare agency. The program makes direct payments to the project owner to cover the difference between this contribution and the approved rental rate.

Mutual and Self-Help Housing Grants. The bill provides $28 million for mutual and self-help housing grants, the same as FY 2000 and $12 million less than the president's request, for grants to local organizations under which groups of usually six to ten families build their own homes by mutually exchanging labor.

Rural Housing Assistance Grants. The bill provides $39 million, $12 million less than last year and equal to the president's request, for rural housing grants for domestic farm labor, very low-income housing repair grants, rural housing preservation grants, compensation for construction defects, direct community facility loans, guaranteed community facility loans and community facility grants.

Rural Business-Cooperative Development Service (RB-CDS)

The bill provides $38.2 million in overall funding for RB-CDS—$15.7 million less than FY 2000 and $18 million less than the president's request—for FY 2001. RB-CDS was created in 1995. Its programs were previously administered through the Rural Development Administration and the Rural Electrification Administration. The service enhances the quality of life for all rural residents by assisting new and existing cooperatives and other businesses through partnership with rural communities.

Rural Development Loan Fund Program Account. The bill provides $22.8 million—$2.8 million more than FY 2000 and $13.6 million lower than the president's request. Loans go toward improving business, industry, community facilities, and employment opportunities and diversification of the economy in rural areas.

Rural Economic Development Loans Program Account. The bill provides $3.9 million in direct subsidy to this account— $458,000 more than FY 2000 and equal to the president's—which supports $15 million in zero-interest loans to electric and telecommunications borrowers to promote rural economic development and job creation projects, including funding for feasibility studies, start-up costs, and other reasonable expenses for the purpose of fostering such development.

Rural Cooperative Development Grants. The measure provides $6.5 million—$500,000 more than FY 2000 and $5 million less than the president's request—for grants to improve economic conditions in rural areas.

Rural Utilities Service (RUS)

The RUS was created in 1994 by DAGRA to administer electric and telecommunications programs of the former Rural Electrification Administration as well as water and waste disposal programs of the former Rural Development Administration. The service's objective is to improve the quality of life in rural America by administering its electric, telecommunications, and water and waste disposal programs in a service-oriented, forward looking, and financially responsible manner. The bill provides $89 million overall, which is $17.8 million less than FY 2000 and $11.5 million less than the president's request.

Rural Electrification and Telephone Loans Program Account. The bill provides $64.3 million—$18 million more than FY 2000 and $4 million under the president's request—to support $2 billion in loans to maintain and expand electricity and telephone service in rural areas.

Rural Telephone Bank Program Account (RTB). The bill provides $3 million for administrative expenses (equal to FY 2000 and the president's request) and $2.6 million in direct loan subsidies ($700,000 less than last year, and equal to the president's request) for the RTB. The bill provides for a $175 million loan level.

Distance Learning and Telemedicine Grants and Loans. The bill provides $19.5 million—$1.2 million less than FY 2000 and $7.5 million less than the president's request—for this program, which provides facilities and equipment to link rural education and medical facilities with urban facilities to provide better health care through technology.

Title IV — Domestic Food Programs

Under Secretary for Food, Nutrition, and Consumer Services

The bill appropriates $554,000, the same as FY 2000 and $16,000 less than the president's request, for this account within the Food Program Administration (FPA). The office provides direction and coordination in carrying out the laws regarding food and consumer activities, and has oversight and management responsibilities for the Food, Nutrition and Consumer Service.

Food and Nutrition Service (FNS)

The bill appropriates $35.2 billion, $186 million more than FY 2000 and $1 billion less than the president's request, for FNS in FY 2001. This includes $116 million—$5 million more than FY 2000 and $12.1 million less than the president's request—to pay the salaries and other administrative expenses involved in administering the domestic food programs run by the FNS, as well as supporting the Center for Nutrition Policy and Promotion. Originally established in 1969, the Food Nutrition Service was renamed in 1994 pursuant to DAGRA. FNS-administered programs are described below.

Title IV — Domestic Food Programs

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Office of the Under Sec.	$0.6	$0.6	$0.6	0.0%	-2.8%
Child Nutrition Programs	$9,554.0	$9,546.1	$9,535.0	-0.2%	-0.1%
Commodity Assistance	$133.3	$158.3	$138.3	+3.8%	-12.6%
Women, Infants, and Children Program (WIC)	$4,032.0	$4,148.1	$4,067.0	+0.9%	-2.0%
Food Stamp Program	$21,071.8	$22,132.0	$21,232.0	+0.8%	-4.1%
Food Donation Program	$141.1	$151.1	$141.1	0.0%	-6.6%
Food Program Admin.	$111.4	$128.6	$116.4	+4.5%	-9.5%
TOTALS	$35,044.1	$36,264.7	$35,230.4	+0.5%	-2.9%

Source: House Appropriations Committee

Child Nutrition Programs. The bill provides $9.5 billion for child nutrition programs, which is $18.9 million less than FY 2000 and $11 million less than the president's request. This account includes the school breakfast and lunch programs, the Child and Adult Care Food Programs, summer food services, nutrition education and training programs and the Special Milk Program. In addition, the special milk program provides funding for milk service in schools, nonprofit child care centers, and camps which have no other federally-assisted food programs. The primary purpose of these programs is to improve the health and well-being of the nation's children and broaden markets for agricultural food commodities. Working through state agencies (in all 50 states, Puerto Rico, the Virgin Islands, and Guam), FNS provides both cash and foodstuffs to ensure that children receive at least one hot, nutritious meal each day.

Food Stamp Program. The bill appropriates $21.2 billion for the Food Stamp program, $160 million more than FY 2000 and $900 million less than the president's request. Established in 1964, this program is aimed at making more effective use of the nation's food supply and improving nutritional standards of needy persons and families by issuing assistance coupons which may use to purchase food in retail stores. All administrative costs associated with certifying recipients, issuing coupons, ensuring quality control, and holding hearings are shared by the federal government and the states on a 50-50 basis. Although food stamps is a mandatory entitlement program, it is subject to annual appropriations. That appropriation also includes a nutritional assistance block grant to Puerto Rico, authorized under the Omnibus Budget Reconciliation Act of 1981 (OBRA; *P.L. 97-35*), which gives the commonwealth broad flexibility in establishing a food assistance program that is specifically tailored to the needs of its low-income households.

Supplemental Nutrition Program for Women, Infants, and Children (WIC). The bill provides $4 billion for the WIC program, $35 million more than FY 2000 but $81.1 million less than the president's request. WIC safeguards the health of pregnant, postpartum, and breast-feeding women, infants, and children up to age five who are at nutritional risk by providing food packages designed to supplement each participant's diet with food that are typically lacking. Delivery of supplemental foods may be done through health clinics, vouchers redeemable at retail food stores, or other approved methods which a cooperating state health agency may select. In 1989, Congress enacted cost-containment measures to ensure that eligible participants would have access to these necessary services. It also established the WIC farmers' market nutrition program (FMNP) to (1) improve WIC participants' diets by providing them with coupons to purchase fresh foods, such as fruits and vegetables, from farmers markets; and (2) increase the awareness and use of farmers' markets by low-income households. Funds for the WIC program are provided by direct annual appropriation.

Food Donations Programs. The bill provides $141.1 million, equal to FY 2000 and $10 million less than the president's request, for food distribution programs targeted at special at-risk populations, including the elderly, needy individuals in the Pacific Island Territories, and Indians living on or near reservations who choose not to receive food stamps. Funding for the operation of this program, also know as Meals on Wheels, is contained in the Labor, Health and Humans Services appropriations bill.

Commodity Assistance Program (CAP). The bill provides $138 million, $5 million more than FY 2000 and $20 million less than the president's request for CAP. This account funds the Supplemental Food Program (CSFP), which provides supplemental foods to infants and children up to age six, and to pregnant, post-partum, and breast-feeding women with low incomes who reside in approved areas and administrative expenses for the Emergency Food Assistance Program (TEFAP), which provides commodities and grant funds to state agencies to assist in the cost of storing and distributing donated commodities to needy individuals.

Title V — Foreign Assistance and Related Programs

The bill provides $1 billion for foreign assistance and related programs, $6.3 million less than FY 2000 and $41.4 million less than the president's request.

Title V — Foreign Assistance And Related Programs

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Foreign Agricultural Service	$113.5	$117.9	$113.5	0.0%	-3.7%
Public Law 480 Food for Peace	$942.7	$973.4	$936.4	-0.7%	-3.8%
CCC Export Loans Program Account	$3.8	$3.8	$3.8	0.0%	0.0%
TOTALS	$1,059.9	$1,095.0	$1,053.6	-0.6%	-3.8%

Source: House Appropriations Committee

Foreign Agricultural Service (FAS)

The bill appropriates $113 million for FAS, equal to FY 2000 and $4.4 million under the president's request. FAS helps U.S. agricultural interests maintain and expand foreign markets through special export programs and by securing international trade conditions that are favorable to American products. It maintains a worldwide intelligence and reporting service that provides important information on foreign agricultural policies and market conditions, and coordinates, plans, and directs the USDA's programs in international development and technical cooperation in food and agriculture.

Public Law 480 (Food for Peace) Programs

The measure appropriates $980 million—$4 million more than FY 2000 and $37 million less than the president's request—for the three main programs under *P.L. 480*, which serve as the primary means for the U.S. provision of food assistance overseas. The bill allots:

* $159 million in direct loans and $20 million for ocean freight differential costs for Title I, which provides food commercially under long-term, low-interest loan terms;

* $800 million for grants under Title II, which provides food aid for humanitarian relief through private voluntary organizations or through multilateral organizations like the World Food Program. This funding is equal to FY 2000 level and $37 million less than the president's request; and

Commodity Credit Corporation (CCC) Export Loans

The bill provides $3.8 million—equal to FY 2000 and the president's request—for the CCC to guarantee commercial loans to finance U.S. agricultural export sales. Funds in this account are used to cover the lifetime subsidy cost associated with these commitments in 2000 and beyond, as well as administrative expenses.

Title VI — FDA and Related Agencies

The bill provides roughly $1.1 billion for the FDA and related agencies, $59 million more than FY 2000 and $112 million less than the president's request.

Title VI — Related Agencies and Food and Drug Administration

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
		(in millions)			
Food and Drug Administration	$1,049.0	$1,211.3	$1,102.3	+5.1%	-9.0%
Commodity Futures Trading Commission	$63.0	$72.0	$69.0	+9.5%	-4.2%
TOTALS	$1,112.0	$1,283.3	$1,171.3	+5.3%	-8.7%

Source: House Appropriations Committee

Food and Drug Administration (FDA)

The bill appropriates $1.1 billion for the FDA, $53 million more than FY 2000 and $109 million less than the president's request. The FDA, which is part of the Department of Health and Human Services (HHS), ensures that (1) food is safe and wholesome, (2) human and animal drugs, biological products, and medical devices are safe and effective, and (3) radiological products and use procedures do not result in unnecessary exposure to radiation. Through its regulation of food, FDA protects and promotes the health of nearly every American by monitoring the food industry to safeguard against contamination by dangerous bacteria, molds, and other natural and man-made toxins, and by regulating the safe use of veterinary drugs and feed additives to protect consumers against hazardous drug residues or by products that may remain in meat. FDA also assures that the consumers are not victimized by adulteration, promotes informative labeling to assist consumers in choosing foods, and examines imported foods to ensure that they meet the same standards as domestic products.

Commodity Futures Trading Commission (CFTC)

The bill provides $69 million to the CFTC, $6 million more than FY 2000 and $3 million less than the president's request. The commission promotes the economic utility of futures and options markets for agricultural products and regulates the commodity futures industry and other commodities by increasing their efficiency, ensuring their integrity, and protecting participants against abusive trade practices.

Farm Credit Administration (FCA)

The measure allows $36.8 million for the FCA in FY 2001, $1 million more than FY 2000. The president requested no funding for this program. FCA is responsible for regulating, supervising, and examining the institutions of the Farm Credit System. These activities provide short- and long- term credit to our nation's farmers, ranchers, and producers of aquatic products.

Title VII — General Provisions

The bill includes several general provisions that were included in last year's appropriation. This includes $4 million for hunger fellowships, $2 million more than last year, and $115 million for apple and potato loss assistance. The president requested no funds for these programs.

The bill also contains an amendment, adopted in committee, that exempts food and medicine from unilateral trade sanctions. This enables U.S. producers to sell food and medicine to countries like North Korea, Libya and Cuba. The amendment, proposed by Mr. Nethercutt, also contains language that prevents the president from making any further food or medicinal sanctions without congressional approval.

Costs/Committee Action:

A CBO cost estimate was unavailable at press time.
The Appropriations Committee ordered the bill reported by voice vote on May 10, 2000.

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